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General and complete disarmament

Nuclear disarmament; follow-up to the advisory opinion of the International Court of Justice on the legality of the threat or use of nuclear weapons; and reducing nuclear danger

Report of the Secretary-General

Contents

		Page
I.	Introduction	2
II.	Observations	2
III.	Information received from Governments	6
	Cuba	6
	El Salvador	7
	India	7
	Lebanon	8
	Mauritius	9
	Mexico	9
	Portugal	10
	Qatar	11
	Sudan	12

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I. Introduction

1. The present report is submitted pursuant to requests contained in General Assembly resolutions 69/40, 69/43 and 69/48.

2. In paragraph 5 of resolution 69/40, the General Assembly requested the Secretary-General to intensify efforts and support initiatives that would contribute towards the full implementation of the seven recommendations identified in the report of the Advisory Board on Disarmament Matters (A/56/400) that would significantly reduce the risk of nuclear war, and also to continue to encourage Member States to consider the convening of an international conference, as proposed in the United Nations Millennium Declaration, to identify ways of eliminating nuclear danger, and to report thereon to the Assembly at its seventieth session.

3. In paragraph 3 of resolution 69/43, the General Assembly requested all States to inform the Secretary-General of the efforts and measures they had taken with respect to the implementation of the resolution and nuclear disarmament and requested the Secretary-General to apprise the Assembly of that information at its seventieth session.

4. In paragraph 22 of resolution 69/48, the General Assembly requested the Secretary-General to submit a report on the implementation of the resolution to the Assembly at its seventieth session.

II. Observations

5. Since the previous report (A/69/131), States have exerted various efforts to facilitate the implementation of nuclear disarmament and non-proliferation agreements.

6. Pursuant to resolution 68/32, entitled "Follow-up to the 2013 high-level meeting of the General Assembly on nuclear disarmament", the United Nations commemorated the first International Day for the Total Elimination of Nuclear Weapons on 26 September 2014 with the following events:

(a) In New York, the General Assembly convened an informal plenary meeting, organized by the Permanent Mission of Indonesia to the United Nations in its capacity as Chair of the Working Group on Disarmament of the Movement of Non-Aligned Countries, to commemorate the International Day. In a message delivered by the High Representative for Disarmament Affairs, the Secretary-General called for nuclear disarmament to be revived as a top international priority;

(b) In Geneva, the Office for Disarmament Affairs and the Unfold Zero campaign co-organized an event to commemorate the International Day, which was co-sponsored by the Permanent Missions of Austria, Indonesia, Kazakhstan and New Zealand to the United Nations, the Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean and 88 non-governmental organizations;

(c) The Group of Latin American and Caribbean States also organized an event in Vienna to mark the International Day. Separately, the Member States of the

Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean issued a declaration to welcome and join in the commemoration.

7. The Government of Austria hosted the third Conference on the Humanitarian Impact of Nuclear Weapons, held in Vienna on 8 and 9 December 2014. A total of 158 States, various United Nations entities, the International Committee of the Red Cross and numerous non-governmental organizations attended the Conference to discuss the global and long-term consequences of any use of nuclear weapons. The Vienna Conference followed upon the first Conference, held in Oslo in March 2013, and the second Conference, held Nayarit, Mexico, in February 2014, which focused, respectively, on the immediate and long-term impacts of the use of nuclear weapons. In addition to the summary of the Chair of the Conference, Austria presented the Humanitarian Pledge, by which subscribing States would commit to work together to identify and pursue effective measures to fill the legal gap for the prohibition and elimination of nuclear weapons. As at 9 July 2015, a total of 112 States had formally endorsed or expressed their support for the Humanitarian Pledge.

8. The ninth Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons was held from 27 April to 22 May 2015 in New York, with the Ambassador of Algeria, Taous Feroukhi of Algeria serving as President of the Conference. Throughout the negotiations, delegations were sharply divided on how to characterize the pace and implementation of disarmament obligations, as well as on next steps for the achievement and maintenance of a world free of nuclear weapons. Many States parties supported the establishment of benchmarks and timelines to move the disarmament agenda forward, while others opposed such deadlines for failing to take the security environment into account. Additionally, delegations were not in agreement over whether awareness of the humanitarian impact of nuclear weapons would serve to increase the urgency, speed or approach of disarmament efforts. While many States parties considered that new information on the catastrophic humanitarian impact of nuclear weapons warranted the commencement of immediate negotiations on a legal instrument for the prohibition and elimination of nuclear weapons, other States parties continued to favour a step-by-step or "building-block" approach to nuclear disarmament. Despite extensive consultations, the Conference was unable to reach agreement on a substantive final document. In his statement on the outcome of the 2015 Review Conference, the Secretary-General expressed his disappointment at the inability of the States parties to reach consensus on a substantive outcome. The Secretary-General regretted, in particular, that States parties were unable to narrow their differences on the future of nuclear disarmament or to arrive at a new collective vision on how to achieve a zone free of nuclear weapons and all other weapons of mass destruction in the Middle East. He appealed to all States to sustain the momentum they had built over the past five years, including new initiatives in the pursuit of nuclear disarmament and continuing efforts to strengthen nuclear non-proliferation. With respect to the Middle East, the Secretary-General will continue to stand ready to support efforts to promote and sustain the inclusive regional dialogue necessary to achieve that goal. He expressed the hope that the growing awareness of the devastating humanitarian consequences of any use of nuclear weapons would continue to compel urgent action for effective measures leading to the prohibition and elimination of nuclear weapons.

9. Since commencing its 2015 session, the Conference on Disarmament has remained unable to begin negotiations on the basis of an agreed programme of

work. On 5 June 2015, the Conference re-established an informal working group with a mandate to produce a programme of work. Substantive deliberations on the four core issues on the agenda have continued.

10. Amid setbacks in establishing new zones and in fostering greater cooperation between existing zones, the international community continued efforts to make progress towards the consolidation of existing nuclear-weapon-free zones as follows:

(a) The Governments of France and the United Kingdom of Great Britain and Northern Ireland deposited instruments of ratification of the Protocol to the Treaty on a Nuclear-Weapon-Free Zone in Central Asia on 17 November 2014 and 30 January 2015, respectively;

(b) Pursuant to General Assembly resolution 69/66, the third Conference of States Parties and Signatories to Treaties that Establish Nuclear-Weapon-Free Zones and Mongolia was convened at Headquarters on 24 April 2015 under the presidency of The Permanent Representative of Indonesia to the United Nations Office at Vienna. Owing to lack of agreement over procedural matters, the Conference was unable to take up any item on its agenda, though it did engage in an informal exchange of views. The High Representative for Disarmament Affairs and a number of States delivered statements;

(c) As discussed further in the report of the Secretary-General pursuant to General Assembly resolution 69/29, the facilitator and convenors for the conference on the establishment of a Middle East zone free of nuclear weapons and all other weapons of mass destruction continued their efforts aimed at bringing the States of the region together to discuss and reach agreement on the arrangements for the conference. The failure of delegations at the 2015 Review Conference to agree on a substantive outcome document underscored the lack of a collective vision on how to move the issue forward.

11. The nuclear-weapon States continued their efforts related to the implementation of commitments on nuclear disarmament, in particular through efforts aimed at promoting greater transparency through multilateral and unilateral means, as described below:

(a) The sixth conference of the nuclear-weapon States was held on 4 and 5 February 2015 in London, under the chairmanship of the United Kingdom. The meeting sought to build upon the 2009 London, 2011 Paris, 2012 Washington, 2013 Russian Federation and 2014 Beijing conferences. Reaffirming their commitment to achieving a world without nuclear weapons in accordance with the goals of the Treaty on the Non-Proliferation of Nuclear Weapons, the nuclear-weapon States reflected on the contribution that this process has made in developing the mutual confidence and transparency that they considered essential to making progress towards multilateral nuclear disarmament. The nuclear-weapon States noted the value of having an established dialogue, welcomed how each conference had built on the success of the preceding ones and underscored the achievement of consensus on a common reporting framework and the Glossary of Key Nuclear Terms, which had contributed to the implementation of the action plan of the 2010 Review Conference;

(b) The Russian Federation and the United States of America continued to work towards the full implementation of the Treaty on Measures for the Further

Reduction and Limitation of Strategic Offensive Arms. As at 1 July 2015, according to the data provided by the parties on their aggregate holdings of strategic offensive arms, the Russian Federation possessed 515 deployed intercontinental ballistic missiles, submarine-launched ballistic missiles and heavy bombers and 1,582 warheads on those systems; the United States possessed 785 deployed intercontinental ballistic missiles, submarine-launched ballistic missiles and heavy bombers and 1,597 warheads on those systems.

12. Other efforts undertaken aimed in various ways at facilitating the nuclear disarmament process included the following:

(a) On 26 September 2014, foreign ministers and other high-level representatives adopted a joint ministerial statement at the seventh Joint Ministerial Meeting on the Comprehensive Nuclear-Test-Ban Treaty, held in New York. The ministers urged "all States that have not done so to sign and ratify the Treaty, in particular the remaining eight Annex 2 States". The statement further acknowledged the role of the Group of Eminent Persons in assisting in the entry-into-force process and highlighted the importance of the on-site inspection simulation, the 2014 integrated field exercise, held in November 2014 in Jordan;

(b) On 10 September 2014, the President of the General Assembly convened an informal meeting of the Assembly to mark the observance of the International Day against Nuclear Tests. The meeting was organized in cooperation with the Permanent Mission of the Kazakhstan to the United Nations. The opening ceremony, in which the Secretary-General, the President of the General Assembly and the First Deputy of the Governor of eastern Kazakhstan (Semipalatinsk region), Yermek Kosherbayev, delivered statements, was followed by a high-level panel covering some key issues, including necessary steps for further progress on nuclear disarmament and non-proliferation, the establishment of nuclear-weapon-free zones, confidence-building and other relevant issues;

(c) In its resolution 67/53, the General Assembly requested the Secretary-General to establish a group of governmental experts to convene in 2014 and 2015 in order to develop recommendations on possible aspects that could contribute to, but not negotiate, a treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices. The Group, chaired by the Permanent Representative of Canada to the United Nations Office at Geneva, concluded its work in May 2015. In its consensus report, the Group reaffirmed that a treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices should be legally binding, non-discriminatory, multilateral, and internationally and effectively verifiable, and that document CD/1299 and the mandate contained therein remains the most suitable basis on which future negotiations can commence without further delay in the Conference on Disarmament and, as noted in that report, allows negotiators to raise for consideration all aspects of a treaty, including its scope. The Group agreed that such a treaty could contribute practically to achieving a world without nuclear weapons, to non-proliferation in all its aspects and, more broadly, to enhancing global security. The report identified areas of convergence and divergence on key aspects of a treaty, including those on which a spectrum of views may exist and on which further technical and/or scientific work can be pursued that may assist negotiators.

13. Despite progress in implementing nuclear disarmament and non-proliferation agreements and pursuing new initiatives to support these goals, impediments and

growing frustration with what many States view as the slow pace of progress remain. While efforts to reduce existing stockpiles are welcome, it is a matter of concern that the total estimated number of nuclear weapons, both deployed and non-deployed, still amounts to several thousands. Moreover, States continue to rely on nuclear weapons in defence and security policies and undertake modernization programmes of their weapons, delivery systems and related infrastructure.

14. While States continue to identify ways of intensifying their efforts to move forward the objective of nuclear disarmament, such as the international conferences convened to examine the humanitarian impact of nuclear weapons, there remains deep frustration among States regarding the lack of demonstrable progress on nuclear disarmament.

15. The Secretary-General and the High Representative for Disarmament Affairs have continued their efforts to promote nuclear disarmament and non-proliferation. On 7 July 2015, the acting High Representative delivered a statement at the plenary meeting of the Conference on Disarmament, stating that the regrettable outcome of the 2015 Review Conference underscores more than ever the need for a functioning multilateral dialogue on the key issues of disarmament and non-proliferation. He noted that the onus is now squarely on the Conference on Disarmament, as the world's sole disarmament negotiating body, to bridge the divide between States and to get back on the road towards the elimination of nuclear weapons.

III. Information received from Governments

Cuba

[Original: Spanish]
[26 May 2015]

As long as nuclear weapons exist, there is a danger that they might be used. The human race and our entire ecosystem remain at risk of disappearing, given the existence and potential use of over 16,000 ever more powerful nuclear weapons.

Cuba considers the use or threat of use of nuclear weapons to be a violation of the Charter of the United Nations and a crime against humanity, constituting a violation of both international law and international humanitarian law.

In the nearly 20 years since the International Court of Justice declared the use of nuclear weapons illegal in its advisory opinion of 8 July 1996 on the legality of the threat or use of nuclear weapons, little progress has been made towards the total elimination of nuclear weapons.

It is a matter of deep concern that nuclear deterrence continues to be a core part of the military defence and security doctrines of some States, including the potential use of nuclear weapons against non-nuclear-weapon States in response to attacks using non-nuclear weapons. In addition, the deployment of nuclear weapons by nuclear-weapon States in the territory of non-nuclear-weapon States is a concern, since, in practice, this means there are many more "possessor States".

We recall that the International Court of Justice, in its advisory opinion, unanimously called for the start of negotiations to eliminate nuclear weapons and, in accordance with the Treaty on the Non-Proliferation of Nuclear Weapons, nuclear-

weapon States have a legal obligation not only to pursue, but also to bring to a conclusion, negotiations leading to nuclear disarmament under a strict and effective international verification system.

We are convinced that the prohibition and total elimination of nuclear weapons are the only absolute guarantees against the use or threat of use of nuclear weapons. Cuba deeply regrets the failure on the part of the nuclear-weapon States to fulfil their unequivocal undertaking to totally eliminate their nuclear arsenals with a view to achieving nuclear disarmament. We strongly condemn the enhancement of existing nuclear weapons and the development of new types of nuclear weapons, which is inconsistent with the obligation to adopt effective measures towards nuclear disarmament.

El Salvador

[Original: Spanish]
[13 April 2015]

The physical inventory of the Armed Forces of El Salvador does not include nuclear weapons, and the initiatives taken to counter their use include the ratification of the following instruments:

- Treaty on the Non-Proliferation of Nuclear Weapons
- Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (Treaty of Tlatelolco)
- Convention on the Physical Protection of Nuclear Material and its amendments

India

[Original: English]
[26 May 2015]

India was a co-sponsor of General Assembly resolution 69/43.

India's support for the existence of an obligation to pursue in good faith and to conclude nuclear disarmament negotiations is not based on the provisions of any particular legal instrument but is a logical extension of India's consistent political support for nuclear disarmament. India is convinced that the goal of nuclear disarmament can be achieved through a step-by-step process underwritten by a universal commitment and an agreed multilateral framework that is global and non-discriminatory. There is a need for a meaningful dialogue among all States possessing nuclear weapons to build trust and confidence and to reduce the salience of nuclear weapons in international affairs and security doctrines.

India's working paper (CD/1816) enumerated specific steps, including reaffirmation of the unequivocal commitment of all nuclear- weapon States to the goal of complete elimination of nuclear weapons; reduction of the salience of nuclear weapons in security doctrines; measures by nuclear-weapon States to reduce nuclear danger; negotiation of a global agreement among nuclear-weapon States on "no-first-use" of nuclear weapons; negotiation of a universal and legally-binding agreement on non-use of nuclear weapons against non-nuclear-weapon States;

negotiation of a convention on the complete prohibition of the use or threat of use of nuclear weapons; and negotiation of a nuclear weapons convention on the prohibition of the development, production, stockpiling and use of nuclear weapons and on their destruction, leading to the global, non-discriminatory and verifiable elimination of nuclear weapons within a specified timeframe.

India considers the Conference on Disarmament as the appropriate forum for the commencement of negotiations on nuclear disarmament through the establishment of a subsidiary body with a mandate agreed by consensus as part of a comprehensive and balanced programme of work.

Lebanon

[Original: Arabic]
[9 April 2015]

Lebanon wishes to reiterate the following points.

Lebanon does not possess or produce weapons of mass destruction. It is committed to the relevant United Nations resolutions and opposes the legality of the threat or use of such weapons.

Lebanon welcomes and supports all initiatives aimed at bringing about general and complete disarmament, especially in the Middle East, and emphasizes that the region should be free of weapons of mass destruction. It is concerned, however, at the failure of Israel to comply with international law. Israel maintains a nuclear arsenal that constitutes a constant threat to all the States of the region and, consequently, to international peace and security.

It is essential for the Arab States to continue to call for the establishment of a region free of weapons of mass destruction in the Middle East, because that is the only available option for coping with the dangers which the nuclear armaments of Israel and its other weapons of mass destruction represent for international peace and Arab national security.

The international community should continue to demand that all States in the region, including Israel, sign treaties on the non-proliferation of weapons of mass destruction and nuclear weapons.

It is essential to unify the Arab position, step up the role of the League of Arab States and take action to acquire the scientific knowledge and secure the equipment required to protect against weapons of mass destruction. It is also vital to continue the efforts to emphasize that Israel is a State which is not a party to the international conventions.

Lebanon calls for the introduction and development of the use of peaceful nuclear technologies in all fields that serve sustainable development and urges that the various needs of the Arab States be taken into account.

Mauritius

[Original: English]
[3 June 2015]

Mauritius is a small island country. It has never advocated the development of weapons of mass destruction, which include nuclear and biological weapons. It has always supported the initiatives of the United Nations and all Member States without nuclear weapons in this direction. No country in the world should be allowed to develop, produce, test and stockpile weapons of mass destruction.

The Republic of Mauritius, being a signatory to the Treaty on the Non-Proliferation of Nuclear Weapons since 1969, is committed to preventing the spread of nuclear weapons and weapons technology, promoting cooperation in the peaceful uses of nuclear energy and furthering the goal of achieving general and complete nuclear disarmament.

The Government of Mauritius has also signed and ratified the African Nuclear Weapon Free Zone Treaty, which shows our resolve to support and propagate nuclear disarmament.

The Republic of Mauritius is an active member of the International Campaign to Abolish Nuclear Weapons, although there is no nuclear weapon or installation on its territory.

Mauritius does not have any legislation pertaining specifically to nuclear weapons. However, in order to ensure the safety and security of its territory, the Government of Mauritius has enacted the following legislation:

- Dangerous Chemical Control Act 2001
- Prevention of Terrorism Act 2002
- Chemical Weapons Convention Act 2003
- Anti-Personnel Mines (Prohibition) Act 2001

Mauritius should therefore, continue to support the efforts of the United Nations to eliminate such weapons of mass destruction.

Mexico

[Original: Spanish]
[28 April 2015]

Mexico participates actively and decisively in the various multilateral and regional forums that deal with the issue of nuclear disarmament. During the sixty-ninth session of the General Assembly, Mexico, both in its national capacity and together with other States, submitted draft resolutions in the First Committee on the following topics related to nuclear disarmament:

- A United Nations study on disarmament and non-proliferation education
- The United Nations Disarmament Information Programme
- Moving toward a nuclear-weapon-free world by accelerating the implementation of nuclear disarmament commitments
- Taking forward multilateral nuclear disarmament negotiations

Together with like-minded countries, Mexico promotes the Humanitarian Initiative, which seeks a new, humanitarian approach to the debate on nuclear disarmament and non-proliferation. Mexico has been a party to the collective statements made on the issue since 2012 and, in 2014, it hosted the second Conference on the Humanitarian Impact of Nuclear Weapons in Nayarit. It also participated in the Vienna Conference on the Humanitarian Impact of Nuclear Weapons, which resulted in Austria's pledge to call on States parties to the Treaty on the Non-Proliferation of Nuclear Weapons to reaffirm their commitment to the Treaty and to call on all States to work to reduce the risks relating to nuclear weapons.

At the third Summit of Heads of State and Government of the Community of Latin American and Caribbean States (CELAC), held in Costa Rica in January 2015, the 33 CELAC members reiterated in a special declaration their commitment to promoting complete and verifiable nuclear disarmament and supported the commitments made by Austria.

In addition, Mexico presided over the Conference on Disarmament from 20 January to 15 February 2015. It submitted a draft programme of work, embodying a negotiating mandate on all agenda items, and three draft decisions on the participation of civil society organizations, the working methods of the Conference and the expansion of its membership. None was adopted.

Mexico also actively participated in the sessions of the Preparatory Committee for the 2015 Review Conference, which was held in New York from 27 April to 22 May 2015, and has promoted the idea that humanitarian concerns should constitute the basis of all disarmament activities.

Portugal

[Original: English]
[13 April 2015]

Portugal makes efforts to promote disarmament and non-proliferation of all kinds of weapons of mass destruction and, in this context, is part of several of the major international initiatives that promote disarmament and non-proliferation. The issue of nuclear weapons of mass destruction is one that raises major concerns for Portugal, and we promote an active multilateral effort in the long view of nuclear disarmament and nuclear safety. Our participation in the Treaty on the Non-Proliferation of Nuclear Weapons, the Comprehensive Nuclear-Test-Ban Treaty, the Convention on Nuclear Safety, the Convention on the Physical Protection of Nuclear Material and its amendments, the Missile Technology Control Regime, the Australia Group and the Nuclear Suppliers Group, stands as a testimony to the commitment of Portugal to this endeavour and to the obligations of article VI.

Having in mind the previous statements, and recalling the commitments by Portugal to all its international partners, in terms of the follow-up to the advisory opinion of the International Court of Justice on the legality of the threat or use of nuclear weapons, Portugal notes that the principles established in that document are well integrated into the Portuguese doctrine regarding nuclear issues.

Portugal is of the view that a convention banning nuclear weapons could ultimately be pursued as long as negotiations start on a treaty banning the production of fissile materials for nuclear weapons or other nuclear devices, on the basis of CD/1299 and the mandate contained therein.

Qatar

[Original: Arabic]
[18 June 2015]

Qatar believes that the threat or use of nuclear weapons is contrary to current international law on armed conflicts and, in particular, to the principles and rules of international humanitarian law.

Qatar is firmly convinced that only the total elimination of nuclear weapons can provide a guarantee against the use of such weapons. It therefore stresses the importance of the advisory opinion of the International Court of Justice, which unanimously found that there exists an obligation to pursue in good faith and bring to a conclusion negotiations leading to nuclear disarmament in all its aspects, under strict and effective international control.

Qatar believes that action must be taken to accelerate implementation of the 13 practical steps contained in the Final Document of the 2000 Review Conference and the 22 action items contained in the Final Document of the 2010 Review Conference, including the establishment in the Conference on Disarmament of a committee with a mandate to deal with nuclear disarmament with a view to identifying the measures required to eliminate nuclear weapons completely.

Qatar is a non-nuclear-weapon State that neither possesses such weapons nor has the means to deliver them. It has no ambition and does not intend to acquire nuclear weapons or develop nuclear-weapons-related programmes, nor does it provide any scientific, technical or material assistance to any party endeavouring to acquire or develop such weapons. Qatar also does not allow any nuclear-weapon-related activities to take place in its territory.

Owing to its firm conviction that nuclear energy should be used for peaceful purposes and not employed for military purposes, Qatar acceded to the Treaty on the Non-Proliferation of Nuclear Weapons on 3 April 1989, and signed a comprehensive safeguards agreement with the International Atomic Energy Agency on 19 January 2009. It also signed the Comprehensive Nuclear-Test-Ban Treaty on 24 September 1996 and then ratified it on 3 March 1997.

Qatar took part in the first conference on the humanitarian consequences that would result from a nuclear weapon detonation, held in Oslo in 2013, the second such conference, held in Mexico in February 2014, and the third such conference, held in Vienna in December 2014. It did so because it believes that humanity must become aware of the dangers posed by nuclear weapons. That realization must have a tangible effect on the work that is needed in order to spare humankind from the scourge of nuclear weapons, with the ultimate goal of achieving a world free of such weapons.

Sudan

[Original: Arabic]
[18 June 2015]

The Sudan supports the decision of the International Court of Justice in its advisory opinion of 8 July 1996 on the legality of the threat or use of nuclear weapons. It draws attention to the unique characteristics of those weapons, in particular their uncontainable destructive power. The radiation released by a nuclear explosion can affect health, agriculture, natural resources and population over a vast area. Furthermore, the use of nuclear weapons would pose a serious threat to future generations. The Sudan upholds the cardinal principles constituting the fabric of humanitarian law — several of them addressed in the advisory opinion — namely, the principle of distinction, the prohibition of the use of indiscriminate weapons, the prohibition against causing unnecessary suffering to combatants, and the fact that States do not have unlimited choice of means in the weapons they use. Based on the Court's opinion, it appears that the use of such weapons and respect for these requirements can be reconciled only with great difficulty.

As a country free of nuclear weapons, the Sudan does not possess such weapons or their means of delivery. It has not dealt with nuclear weapons directly or indirectly and has no intention or ambition to possess or develop any programmes related to such weapons. It does not provide any scientific, technical or material assistance in that connection to any entity, nor does it allow any activities related to nuclear weapons to take place on its territory.

The Sudan supports regional and international efforts to prohibit and eliminate nuclear weapons and believes that the only guarantee that such weapons will not be used is their complete elimination. The Sudan has acceded to several instruments on the prohibition and prevention of nuclear proliferation. It continues to call upon all parties to participate in the multilateral negotiations leading to a comprehensive and non-discriminatory convention to address the issue of nuclear weapons.

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Follow-up to the 2013 high-level meeting of the General Assembly on nuclear disarmament

Report of the Secretary-General

Contents

		Page
I.	Introduction	2
II.	Replies received from Governments	2
	Brazil	2
	China	3
	Cuba	4
	India	5
	Iran (Islamic Republic of) (on behalf of the States members of the Movement of Non-Aligned Countries)	6
	Lebanon	7
	Mexico	8
	Netherlands	9

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I. Introduction

1. The General Assembly, in its resolution 69/58 entitled "Follow-up to the 2013 high-level meeting of the General Assembly on nuclear disarmament", adopted on 2 December 2014, underlined the strong support, expressed at the high-level meeting of the General Assembly on nuclear disarmament held on 26 September 2013, for taking urgent and effective measures to achieve the total elimination of nuclear weapons.

2. The General Assembly called for urgent compliance with the legal obligations and the fulfilment of the commitments undertaken on nuclear disarmament and endorsed the wide support expressed at the high-level meeting for a comprehensive convention on nuclear weapons.

3. The General Assembly also called for the urgent commencement of negotiations in the Conference on Disarmament for the early conclusion of a comprehensive convention on nuclear weapons to prohibit their possession, development, production, acquisition, testing, stockpiling, transfer, use or threat of use and to provide for their destruction.

4. The General Assembly requested the Secretary-General to seek the views of Member States with regard to achieving the objective of the total elimination of nuclear weapons, in particular on the elements of a comprehensive convention on nuclear weapons, and to submit a report thereon to the Assembly at its seventieth session, and also to transmit the report to the Conference on Disarmament.

5. By a note verbale dated 17 February 2015, Member States were invited to communicate their views on the issues. They were also invited to provide executive summaries of their contributions for inclusion in the report of the Secretary-General, while their submissions in extenso would be posted on the website of the Office for Disarmament Affairs, if so requested by the Member State. The replies received are contained in section II of the present report. Replies received after the deadline will be issued as an addendum to this report.

II. Replies received from Governments

Brazil

[Original: English]
[6 June 2015]

Brazil is fully committed to the objective of nuclear disarmament, as set out in article VI of the Treaty on the Non-Proliferation of Nuclear Weapons, in which States parties are mandated to pursue negotiations in good faith on effective measures relating to the cessation of the nuclear arms race at an early date and to nuclear disarmament. However, 45 years after the entry into force of the Treaty, the compliance deficit in this regard persists. Brazil deems the current stalemate intolerable and believes that it is high time to elaborate and implement the effective measures called for in article VI. Pursuant to General Assembly resolution 69/58, in which the Assembly requested the Secretary-General to seek the views of Member States on nuclear disarmament, particularly on a comprehensive convention on nuclear weapons, Brazil considers that such an instrument must include:

(a) A series of legal prohibitions against the development, testing, production, stockpiling, transfer, use and threat of use of nuclear weapons;

(b) An unequivocal and legally binding obligation to enter into a transparent, irreversible and internationally verifiable process of complete nuclear disarmament, within an agreed time frame;

(c) Provisions for the control of fissile and other nuclear materials relevant to nuclear explosive devices;

(d) Provisions for the verified dismantlement of delivery vehicles or their conversion to a non-nuclear capability;

(e) An effective means of verifying the implementation of the obligations and prohibitions under the instrument, including through declarations, inspections, monitoring, etc., with the International Atomic Energy Agency playing a leading role in this process, according to its statute;

(f) A framework of national implementation measures;

(g) An effective and non-discriminatory means of protecting States' entitlement to the exclusively peaceful uses of nuclear technology, subject to safeguards.

Early consideration should be given to:

(h) The practical, technical, legal, financial, administrative and other arrangements required for the creation of a treaty body to oversee its implementation, including through the creation of policymaking and decision-making organs, to be composed of State representatives.

Although Brazil considers negotiations on a comprehensive convention a priority, other options to fill the legal gap for the prohibition and elimination of nuclear weapons being brought to the table, including a legal ban, deserve serious consideration. Brazil believes that such negotiations must occur within the multilateral system and sees current proposals for the establishment in the General Assembly of an open-ended working group to identify and elaborate effective measures for the full implementation of disarmament commitments under the Non-Proliferation Treaty as a first step in this process.

China

[Original: Chinese]
[3 June 2015]

On the very day when China first came into possession of a nuclear weapon, the Government of China issued a statement calling for the complete prohibition and total elimination of nuclear weapons.

Nuclear disarmament should be guided by the concept of universal security. Nuclear disarmament efforts should follow the principles of "maintaining global strategic stability" and "ensuring undiminished security for all" in a step-by-step manner.

Countries with the largest nuclear arsenals bear special and primary responsibility for nuclear disarmament and should continue to take the lead in making drastic and

substantive reductions in their arsenals in a verifiable, irreversible and legally binding way, so as to create the necessary conditions for complete and thorough nuclear disarmament. When conditions are ripe, other nuclear-weapon States should join in the multilateral negotiations on nuclear disarmament.

To attain the ultimate goal of complete and thorough nuclear disarmament, the international community should develop, at an appropriate time, a viable long-term plan comprising phased actions, including the conclusion of a convention on the complete prohibition of nuclear weapons.

Pending the conclusion of the international legal instruments on nuclear disarmament, all nuclear-weapon States should take measures to reduce the danger of nuclear war, diminish the role of nuclear weapons in national security policy and increase mutual trust among States in the area of security.

Cuba

[Original: Spanish]
[26 May 2015]

Cuba reiterates its firm commitment to general and complete disarmament, including nuclear disarmament, as the highest priority. We call for a comprehensive convention to ban and eliminate nuclear weapons because we are convinced that the only effective guarantee against the use or threat of use of nuclear weapons is their total elimination and prohibition in a transparent and irreversible manner.

The historic high-level meeting of the General Assembly on nuclear disarmament on 26 September 2013 demonstrated the broad international support for nuclear disarmament as a priority and witnessed a vigorous demand for nuclear-weapon States to fulfil their commitments with regard to nuclear disarmament, cease the modernization of their nuclear arsenals and exclude nuclear weapons from their security strategies and doctrines.

We reaffirm our commitment to implementing General Assembly resolutions 68/32 and 69/58 entitled "Follow-up to the 2013 high-level meeting of the General Assembly on nuclear disarmament", including the commemoration of the International Day for the Total Elimination of Nuclear Weapons on 26 September each year.

Events were held around the world to mark the first commemoration of this Day in 2014. At the events in which our country participated, we stressed the need to adopt concrete measures to bring about nuclear disarmament, we drew attention to the dangers posed by nuclear weapons, and we emphasized that the only way to ensure that humanity would never suffer the terrible impact of nuclear weapons was their prohibition and total elimination. We urge Governments, parliaments and civil society to take additional measures every year to commemorate this date.

We welcome the decision of the General Assembly to convene, no later than 2018, a United Nations high-level international conference to identify the measures and actions needed to prohibit and eliminate nuclear weapons in the shortest possible time. Cuba will offer its full support for the successful convening of such a conference.

Furthermore, it is in the legitimate interest of non-nuclear-weapon States to receive unequivocal and legally binding negative security assurances from nuclear-

weapon States that they will not use or threaten to use those weapons. In that connection, we call for a universal and legally binding instrument on negative security assurances to be negotiated and adopted as soon as possible.

Our country will continue to work together with the rest of the international community to initiate as soon as possible negotiations for a universal, legally binding instrument that prohibits the possession, development, production, acquisition, testing, stockpiling, transfer, use or threat of use of nuclear weapons and provides for their verified destruction within a specific time frame.

India

[Original: English]
[26 May 2015]

India supported General Assembly resolution 69/58 submitted by the Movement of Non-Aligned Countries, in which the Assembly called for the Conference on Disarmament to commence negotiations on a comprehensive nuclear weapons convention.

India is convinced that the goal of nuclear disarmament can be achieved by a step-by-step process underwritten by a universal commitment and an agreed multilateral framework that is global and non-discriminatory. There is need for a meaningful dialogue among all States possessing nuclear weapons to build trust and confidence and for reducing the salience of nuclear weapons in international affairs and security doctrines.

In its working paper CD/1816, India enumerated specific steps, including reaffirmation of the unequivocal commitment of all nuclear-weapon States to the goal of complete elimination of nuclear weapons; reduction of the salience of nuclear weapons in the security doctrines; measures by nuclear-weapon States to reduce nuclear danger; negotiation of a global agreement among nuclear-weapon States on "no-first-use" of nuclear weapons; negotiation of a universal and legally binding agreement on non-use of nuclear weapons against non-nuclear-weapon States; negotiation of a convention on the complete prohibition of the use or threat of use of nuclear weapons; and negotiation of a nuclear weapons convention prohibiting the development, production, stockpiling and use of nuclear weapons and on their destruction, leading to the global, non-discriminatory and verifiable elimination of nuclear weapons with a specified time frame.

India considers the Conference on Disarmament as the appropriate forum for the commencement of negotiations on nuclear disarmament through the establishment of a subsidiary body with a mandate agreed by consensus as part of a comprehensive and balanced programme of work.

India joined the statements made in the Conference on Disarmament on behalf of G-21 in March 2014, September 2014 and March 2015 calling for urgent commencement of negotiations on nuclear disarmament in the Conference on Disarmament, in particular on a comprehensive convention on nuclear weapons to prohibit their possession, development, production, acquisition, testing, stockpiling, transfer, use or threat of use and to provide for their destruction.

Iran (Islamic Republic of) (on behalf of the States members of the Movement of Non-Aligned Countries)

[Original: English]
[13 July 2015]

The Movement of Non-Aligned Countries stresses that nuclear disarmament continues to be the highest priority and that the ultimate goal of nuclear disarmament is the complete elimination of nuclear weapons. In this regard, it calls upon all States to continue to accord the highest priority to nuclear disarmament leading to the total elimination of nuclear weapons with a specified framework of time and under strict and effective international control. In the task of achieving the goals of nuclear disarmament, all the nuclear-weapon States, in particular those that possess the largest nuclear arsenals, bear a special responsibility. In this context, the Movement of Non-Aligned Countries calls upon the five nuclear-weapon States to:

(a) Fully comply with their overdue obligations under the Treaty on the Non-Proliferation of Nuclear Weapons;

(b) Not to transfer to any recipient nuclear weapons or other nuclear explosive devices or control over such weapons or explosive devices; and not to encourage or induce any non-nuclear-weapon State to manufacture or acquire them or control over them;

(c) Cease any efforts to upgrade nuclear weapons or carry out research on, and develop, new types of nuclear weapons or other nuclear explosive devices and their means of delivery;

(d) Exclude the role of any types of nuclear weapons in their security strategies and those of their allies;

(e) Reduce immediately the operational status of nuclear weapons, including through complete detargeting and de-alerting;

(f) Reduce substantively all types of nuclear weapons, pending their total elimination;

(g) Apply the principles of irreversibility, transparency and verifiability in nuclear disarmament;

(h) Provide effective, unconditional, non-discriminatory, irrevocable and legally binding security assurances to all non-nuclear-weapon States against the use or threat of use of nuclear weapons under any circumstances;

(i) Not conduct any nuclear-weapon test explosions, and ratify the Comprehensive Nuclear-Test-Ban Treaty to facilitate its early entry into force;

(j) Bring into effect, immediately and unconditionally, the security assurances provided by the nuclear-weapon-free zone treaties.

The Movement of Non-Aligned Countries calls upon the non-nuclear-weapon States parties to the Treaty on the Non-Proliferation of Nuclear Weapons to fully implement the resolution and decisions adopted at the Review Conferences of the Treaty on the Non-Proliferation of Nuclear Weapons.

The Movement of Non-Aligned Countries reaffirms the long-standing strong global support for the speedy establishment of a nuclear-weapon-free zone in the

Middle East as a matter of priority and, pending its establishment, demands that Israel renounce possession of nuclear weapons and accede, without any precondition and further delay, as a non-nuclear-weapon State to the Treaty on the Non-Proliferation of Nuclear Weapons.

The Movement of Non-Aligned Countries calls for practical steps to the convening of the conference on the establishment of a zone free of nuclear and all other weapons of mass destruction in the Middle East, without any further delay.

The Movement of Non-Aligned Countries urges the Conference on Disarmament to agree as soon as possible on a balanced and comprehensive programme of work in order for it to start substantive work.

The Movement of Non-Aligned Countries calls for the full implementation of General Assembly resolution 69/58 entitled "Follow-up to the 2013 high-level meeting of the General Assembly on nuclear disarmament".

The Movement of Non-Aligned Countries calls for the urgent commencement of negotiations in the Conference on Disarmament for the early conclusion of a comprehensive convention on nuclear weapons to prohibit their possession, development, production, acquisition, testing, stockpiling, transfer, use or threat of use and to provide for their destruction.

The above principles and recommendations should constitute some of the possible elements of a comprehensive convention on nuclear weapons.

The following are suggested, inter alia, to be included in the text of a comprehensive convention on nuclear weapons:

- Principles and objectives of the convention
- The scope of the convention
- Definitions
- Measures (obligations) towards nuclear disarmament with a time frame
- Verification: system and organ
- Measures to ensure full compliance with its provisions
- Establishment of a periodic review process with regard to the implementation of the convention
- Settlement of disputes
- Final provisions

Lebanon

[Original: Arabic]
[16 April 2015]

Lebanon wishes to emphasize that:

- It does not possess or produce weapons of mass destruction. It complies with the United Nations resolutions in that regard and is opposed to the legality of the threat or use of such weapons.

- It welcomes and supports all initiatives aimed at bringing about general and complete disarmament, especially in the Middle East, and emphasizes that the region should be free of weapons of mass destruction. It is, however, concerned at the failure of Israel to comply with international law. Israel maintains a nuclear arsenal that constitutes a constant threat to all the States of the region and consequently to international peace and security.
- It is essential for the Arab States to continue to call for the establishment of a region free of weapons of mass destruction in the Middle East because that is the only available option for coping with the dangers that the nuclear armaments of Israel and its other weapons of mass destruction represent for international peace and Arab national security.
- The international community should continue to demand that all States in the region, including Israel, sign treaties on the non-proliferation of weapons of mass destruction and nuclear weapons.
- It is essential to unify the Arab position, step up the role of the League of Arab States and take action to acquire the scientific knowledge and secure the equipment required to protect against weapons of mass destruction. It is also vital to continue efforts to expose Israel as a State that does not heed the call for the development and dissemination of peaceful uses of nuclear technologies in all fields that serve sustainable development and to take into account the various needs of the Arab States.

Mexico

[Original: Spanish]
[1 June 2015]

Mexico believes that the only guarantee against the use and effects of nuclear weapons is their total elimination, as something that does not exist cannot proliferate or be deployed.

During the preparations for the ninth Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons, Mexico and the other members of the New Agenda Coalition submitted a working paper (NPT/CONF.2015/WP.9) setting out two options for the elaboration of effective measures to achieve nuclear disarmament, pursuant to article VI of the Treaty:

- The negotiation of a separate agreement
- The adoption of a framework agreement.

Mexico reiterates that any overall agreement on nuclear weapons should, at a minimum:

- Cover all nuclear weapons and ban their existence
- Establish non-extendable deadlines for the destruction of all nuclear weapons
- Ban and eliminate nuclear weapons irreversibly
- Establish a verification agency
- Enter into force upon signature and ratification by a set number of States, with no restrictive clauses
- Be universally applicable and open to all States.

In another vein, in the First Committee of the General Assembly, Mexico was one of the sponsors of the resolution entitled "Taking forward multilateral nuclear disarmament negotiations" (resolution 69/41), which established the Open-ended Working Group to develop proposals to take forward multilateral negotiations on the matter.

In addition, Mexico is one of the main proponents of the Humanitarian Initiative, which promotes a new approach to the debate on nuclear disarmament and non-proliferation: a humanitarian perspective. In that connection, it has endorsed the joint statements that have been made since 2012, the most recent of which was made by Austria, on behalf of 159 countries, at the ninth Review Conference of the Parties to the Non-Proliferation Treaty.

Furthermore, Mexico organized the Second Conference on the Humanitarian Impact of Nuclear Weapons, held in Nayarit, Mexico, on 13 and 14 February 2014 and is one of the 107 States that have endorsed the Austrian Pledge (now known as the Humanitarian Pledge).

Lastly, as President of the Conference on Disarmament in 2015, Mexico submitted a draft programme of work with a mandate to negotiate on all agenda items.

Netherlands

[Original: English]
[29 May 2015]

At its sixty-ninth session, the General Assembly adopted resolution 69/58 entitled "Follow-up to the 2013 high-level meeting of the General Assembly on nuclear disarmament".

The Kingdom of the Netherlands herewith submits the view of the Government of the Netherlands on the issues covered by this resolution.

The Netherlands wishes to emphasize that it fully shares the ultimate goal of resolution 69/58, a world free of nuclear weapons. The Netherlands participated at the ministerial level in the high-level meeting on nuclear disarmament on 26 September 2013, during which various perspectives on how to best achieve a nuclear-weapon-free world were discussed.

The Netherlands notes, with regret, that resolution 69/58 reflects only one particular viewpoint, while various other proposals made during the 26 September 2013 meeting were not captured by it.

As stated in the explanation of vote that was read by the delegation of the Netherlands on behalf of 19 countries during the sixty-ninth session of the General Assembly, the resolution includes only limited references to the Non-Proliferation Treaty, while the Netherlands would have very much preferred a broader reference to the Treaty and an underlining of its pivotal importance to nuclear disarmament.

The Netherlands also stands by its questions raised on the international conference to be held in 2018. The Netherlands feels that the importance of international efforts on nuclear disarmament is insufficiently emphasized by processes that are, in scope and intention, insufficiently clear and transparent. This will prevent key States from participating and is detrimental to the international

trust on which successful disarmament is based. It might also undermine the collective efforts in the framework of the Non-Proliferation Treaty.

The Netherlands further regrets that, by focusing on one core element of the work of the Conference on Disarmament, the resolution does not do justice to the urgent attention that needs to be paid to the adoption of a comprehensive and balanced programme of work of the Conference on Disarmament and the other core issues. The Netherlands also believes that starting negotiations on a nuclear weapons convention without the participation of the States that possess nuclear weapons will not advance the overall goal of nuclear disarmament.

United Nations A/70/183

General Assembly

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Seventieth session
Items 98 (n) and (p) of the provisional agenda*
General and complete disarmament

Assistance to States for curbing the illicit traffic in small arms and light weapons and collecting them; and the illicit trade in small arms and light weapons in all its aspects

Report of the Secretary-General

Summary

The present report provides an overview of the activities undertaken by Member States, the entities of the United Nations system and other intergovernmental organizations regarding the implementation of General Assembly resolution 69/33 on assistance to States for curbing the illicit traffic in small arms and light weapons and collecting them and resolution 69/51 on the illicit trade in small arms and light weapons in all its aspects.

The reporting period, from August 2014 to July 2015, was notable for the success of the Second Open-ended Meeting of Governmental Experts on the Implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, held in June 2015, and for the adoption by the Security Council of resolution 2220 (2015) on small arms and light weapons.

* A/70/150.

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I. Introduction

1. In its resolution 69/33, the General Assembly invited the Secretary-General and those States and organizations in a position to do so to continue to provide assistance to States for curbing the illicit traffic in small arms and light weapons and collecting them. In the same resolution the Assembly also requested the Secretary-General to continue to consider the subject and to report on the implementation of the resolution to the Assembly at its seventieth session.

2. In its resolution 69/51, the General Assembly called upon all Member States to contribute towards the continued implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects at the national, regional and global levels.

3. In resolution 69/51, the General Assembly also requested the Secretary-General to report to it at its seventieth session on the implementation of the resolution, taking into account the request made at the Fifth Biennial Meeting of States to Consider the Implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, that the Secretary-General provide, through his annual consolidated report on small arms and light weapons, as required, further information relevant to developments in small arms and light weapons manufacturing, technology and design and their implications for the full and effective implementation of the International Tracing Instrument.[1]

4. The present report is submitted pursuant to the requests made by th General Assembly in the above-mentioned resolutions. To enable a coherent approach to those overlapping and interconnected issues, the two resolutions are addressed together in the present report, in accordance with past practice.

II. Assistance to States for curbing the illicit traffic in small arms and light weapons and collecting them; and the illicit trade in small arms and light weapons in all its aspects

Security Council

5. On 13 May 2015, the Security Council held an open debate on the issue of small arms and light weapons and considered the report of the Secretary-General on small arms and light weapons (S/2015/289), issued pursuant to Security Council resolution 2117 (2013).

6. The report of the Secretary-General outlined the framework surrounding the issue of arms and ammunition, focusing not only on conflict and post-conflict situations, but also on transnational organized crime, terrorism and armed violence, and recognized, inter alia, that the causes and consequences of the use of weapons are highly gendered nature (S/2015/289, para. 32).

7. The report also underscored the wide-ranging negative impact of the misuse and illicit circulation of small arms, ammunition and light weapons. The report highlighted the responsibility of Governments for proper weapons use, safe storage,

[1] A/CONF.192/BMS/2014/2, annex, paras. 27 (d) and (e).

sound legislation and adequate procedures for weapons tracing and destruction and examined measures to address the illicit circulation of arms and ammunition, including through the monitoring of arms embargos, peacekeeping efforts, security sector reform, disarmament, demobilization and reintegration programmes and the strengthening of the rule of law.

8. Following the open debate, the Security Council adopted resolution 2220 (2015) on the issue of small arms and light weapons.

9. Building on resolution 2117 (2013), the first Security Council resolution on small arms and light weapons, the Council identified, in its resolution 2220 (2015), a range of areas in which international cooperation and information-sharing to address the challenges related to the use of illicit small arms and light weapons could be bolstered. The Council also recognized the importance of clearly defined objectives and the monitoring of sanctions regimes, appropriate United Nations peacekeeping mandates and effective disarmament, demobilization and reintegration programmes and security sector reform efforts that take the particular needs of women and children into account.

10. The resolution called for enhanced reporting synergies on the issue of the illicit use of small arms and light weapons, particularly with regard to the protection of civilians in armed conflict and the issue of children and armed conflict, and in the context of counter-terrorism efforts.

11. The resolution also noted the utility of the United Nations Register of Conventional Arms in helping the Sanctions Committees to determine, in specific cases, whether an exemption to an arms embargo is justified.

12. Finally, the resolution created a precedent by acknowledging the urgent need to address the issue of ammunition along with the issue of small arms and light weapons by recognizing the importance of preventing illicit transfers and sales of weapons and ammunition, including small arms and light weapons, to armed groups and criminal networks that target civilians and civilian objects.

General Assembly

Second Open-ended Meeting of Governmental Experts on the Implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects

13. The Second Open-ended Meeting of Governmental Experts on the Implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects was held in New York from 1 to 5 June 2015.

14. The meeting considered the following issues:

(a) The implications of recent developments in small arms and light weapon manufacturing, technology and design for effective marking, record-keeping and tracing;

(b) Practical steps to ensure the continued and enhanced effectiveness of national marking, record-keeping and tracing systems in the light of such developments, including ways to support the transfer, uptake and effective utilization of relevant tools and technologies;

(c) The transfer of technology and equipment, as well as capacity-building, in particular training, for the full and effective implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects and the International Instrument to Enable States to Identify and Trace, in a Timely and Reliable Manner, Illicit Small Arms and Light Weapons;

(d) Additional issues related to the implementation of the Programme of Action and the International Tracing Instrument.

15. The report of the Secretary-General on recent developments in the manufacturing, technology and design of small arms and light weapons and their implications for the implementation of the International Tracing Instrument (A/CONF.192/BMS/2014/1) formed the basis of the discussions. The report provides the most current assessment by the United Nations of recent developments in this field.

16. At the meeting, Member States gave further consideration to the subject of how recent developments in the field of small arms and light weapon technologies have the potential to both positively and negatively impact the illicit trade worldwide. In this regard, it was noted that some weapons are now built from interchangeable or modular parts, which presents challenges for marking them, and that the three-dimensional printing of weapons has created the possibility of new forms of "craft production", which pose new challenges to arms control efforts.

17. Other technologies, however, present opportunities for enhancing the marking, record-keeping and tracing of weapons. For instance, pin codes and fingerprint technology may be used to ensure that only authorized personnel have access to weapons in a stockpile. Similarly, "microstamping", which imprints a code on the cartridge as a weapon is fired, and "microdot" marking of firearms, the applying of markings on firearms that are too small for the naked eye to see, are some new ways to augment the process of tracing weapons.

18. The issue of the transfer of such technologies as part of international cooperation and assistance was also an important element in the discussions at the Second Open-ended Meeting.

19. With the support of the Government of Australia, the United Nations Development Programme (UNDP) administered a sponsorship programme to support the participation of technical experts from developing countries in the Second Open-ended Meeting. An orientation workshop for the sponsored participants was organized in New York right before the meeting in order to provide them with access to technical information and preparatory documentation.

Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition, supplementing the United Nations Convention against Transnational Organized Crime (Firearms Protocol)

20. In Vienna, from 26 to 28 May 2015, at the third meeting of the Working Group on Firearms, the United Nations Office on Drugs and Crime presented a study on firearms[2] that focused on the transnational routes and the modus operandi of

[2] www.unodc.org/unodc/en/firearms-protocol/global-firearms-trafficking-study.html.

firearms trafficking, its links to other cross-border trafficking flows and possible connections to organized crime and terrorism.

21. Based on the information provided by Member States, the findings of the study suggest that progress towards a more complete understanding of trafficking in firearms lies well within the reach of the international community, promising a strong foundation for more effective international action. The study also shows the value and usefulness of information related to firearms and ammunition seizures in forming a better picture of the routes used in trafficking in firearms as well as its transnational nature. It focuses on individual country results rather than on totals and reflects the participation and efforts of all responding countries.

22. Conclusions drawn from the study include the necessity of reducing the wide gaps between national data-sets, which currently inhibit coordinated international responses, and the importance of more complete and comprehensive international data collection and analysis. Scientific studies of seizure reports and indicators such as: total firearms holdings; crime, homicide and suicide rates; and State stability and related issues hold great promise for better policymaking. While a general sense of the scale and common variations in arms trafficking patterns are now apparent, the implications for policymaking will be clearer as Member States supply more comprehensive seizure reports and more background information. A solid evidence-base on the illicit trade in firearms would benefit greatly from long-term and routine commitment by Governments to report information on trafficking in firearms on an annual basis.

Broader initiatives related to the illicit trade in small arms and light weapons

Arms Trade Treaty

23. On 24 December 2014, the Arms Trade Treaty entered into force. The speedy pace of its entry into force, less than two years after its adoption by the General Assembly, is testimony to the commitment of Member States, international organizations and civil society to put a stop to irresponsible arms transfers. To date, 130 Member States have signed the treaty, 69 of which have ratified it.

24. Under the Arms Trade Treaty, States parties are required to take measures to regulate exports, imports, transit/trans-shipment and brokering of conventional weapons, including small arms and light weapons. The Treaty also obliges States parties to take measures to control exports of ammunition, parts and components for the weapons covered under the scope of the Treaty.

25. States parties to the Treaty are also prohibited from transferring weapons, ammunition, parts and components under certain conditions, such as when such transfers violate obligations under measures adopted by the Security Council or under other relevant international agreements to which they are parties. States parties are also required to assess the potential threat that conventional arms or items could contribute to or undermine peace and security, or could be used to commit or facilitate serious violations of international humanitarian law or international human rights law.

26. States parties are also required to report on their annual authorized or actual exports and imports of conventional arms, including small arms and light weapons. Such information could complement what Member States already report biennially

on measures to control small arms and light weapons under the Programme of Action and the International Tracing Instrument.

27. Another prominent feature of the treaty, which is particularly relevant when addressing the illicit trade in small arms and light weapons, is that it obligates States parties to take measures to prevent the diversion of transferred weapons.

United Nations Trust Facility Supporting Cooperation on Arms Regulation

28. In 2013, in response to the increasing interest of Member States in improving funding mechanisms for conventional arms regulation,[3] the Office for Disarmament Affairs established the United Nations Trust Facility Supporting Cooperation on Arms Regulation. The Trust Facility focuses on supporting the implementation of the Programme of Action and the Arms Trade Treaty, as well as activities to establish synergies between them.

29. The Trust Facility aims to enhance the effectiveness of assistance through better coordination, monitoring and matching of resources. Coordination is ensured through the harmonization of planning by implementing entities.

30. Projects to be funded are selected competitively through an annual call for proposals. In 2014, 18 projects received grants totalling $3.1 million. The funded projects range from strengthening the capacity of Government officials in the area of stockpile management to the improvement of border security to prevent the trafficking of weapons and advocacy against gender-based violence.

31. The Trust Facility also funds special-circumstances projects, aimed at providing a rapid response to emergency situations. Proposals for such projects can be submitted all year around.

Armed violence

32. Member States continue to recognize the importance of promoting peaceful and inclusive societies for sustainable development, and they have proposed this as one of the post-2015 sustainable development goals.[4] Included in the draft goals are targets to significantly reduce all forms of violence and to significantly reduce illicit arms flows.

33. This is a welcome development in view of the repeated calls made in the previous reports of the Secretary-General[5] to include targets related to the issue of peace, security and armed violence in the possible follow-up to the Millennium Development Goals. Armed violence has a negative effect on human, social, political and economic development. It destroys the social and economic infrastructure necessary for development and it undermines the potential for local and foreign investment.

34. Due to their wide availability, small arms are the most prominent tools in armed violence, and in a number of regions the excessive accumulation of these weapons has been instrumental in shaping the onset, severity and duration of armed violence, and its negative consequences, including the large-scale and protracted forced displacement of people. In order to attain meaningful and sustainable

[3] A/CONF.192/2012/RC/4, annex I, sect. II.D, para. 5 (f).
[4] A/68/970.
[5] S/2008/258, para. 63, S/2011/255, para. 47, and A/64/228, para. 65 (d).

development, it is essential that the international community strive to significantly reduce armed violence and related death rates resulting from the availability of illicit weapon and their use.

35. While studies should be carried out on the underlying causes of violence and crime, the demand for small arms and light weapons must be addressed. Efforts to control the trade in small arms could be more effective if they are accompanied by armed violence reduction interventions, including socioeconomic components such as job creation, engaging youth, awareness-raising activities, peacebuilding and social cohesion, as well as support for local authorities in the development of community-policing strategies, efforts to address impunity and community-based arms control approaches.

United Nations Register of Conventional Arms

36. The United Nations Register of Conventional Arms is a primary global transparency instrument on transfers of conventional arms. Under the Register, Member States provide information on their transfers in seven predefined categories of conventional arms, as well as additional voluntary background information on international transfers of small arms and light weapons.

37. Discussion has been ongoing for more than a decade, through triennial meetings of a succession of Groups of Governmental Experts, on the possibility of changing small arms and light weapons from an entry under "additional background information" to a formal category in the United Nations Register. Now that small arms are being treated on an equal basis with heavier weapons within the scope of the Arms Trade Treaty, the inclusion of small arms as a new formal category in the Register will likely feature again on the agenda of the upcoming meeting of the Group of Governmental Experts to review the operation of the Register, which is scheduled for 2016.

International Small Arms Control Standards

38. Under the leadership of Office for Disarmament Affairs and UNDP, 23 entities within the Organization's internal Coordinating Action on Small Arms mechanism are working with leading experts worldwide to develop and implement International Small Arms Control Standards to provide practical guidance on translating global norms and commitments regarding the regulation of small arms into concrete action at the national level. The standards, which are voluntary, (see www.smallarmsstandards.org) propose effective and achievable cradle-to-grave controls over small arms and light weapons — from manufacture and marking, through transfer and storage, to collection and destruction — in order to reduce the risk that they may fall into the hands of criminals, terrorists and others who would misuse them.

39. Since the launching of the standards in 2012, the number of actors using them and the number of countries in which they are being used has continued to grow. The United Nations, international and regional organizations, civil society organizations and training institutes have used the standards to assist the Governments of more than 50 countries in Africa, the Asia-Pacific, Latin America and the Caribbean and South-East Europe in improving their national controls over small arms and light weapons. The launch of the assessment tool for the use of the standards and subsequent capacity-building initiatives conducted throughout the world have

further supported their adoption and use, aiding and advancing the conduct of comprehensive assessments of small arms control measures and needs.

40. Because the standards were used as the basis of assistance on small arms control, beneficiary Governments received consistent and high quality advice and guidance, reflecting internationally recognized effective practices for controlling small arms and light weapons to prevent their diversion and misuse. This support contributes directly to efforts by Governments to reduce armed violence and build community security in order to create the conditions necessary for sustainable human development.

41. The widespread use of the standards demonstrates that they are achieving key goals: to become widely recognized as a practical tool for strengthening national controls over the full lifecycle of small arms and light weapons. This was further demonstrated in 2014 during the Fifth Biennial Meeting of States to Consider the Implementation of the Programme of Action, at which 67 States called for the wider application of the standards, and when the Security Council recognized, in its resolution 2220 (2015), the value of the application of the standards in guiding effective physical security and stockpile management practices.

42. The partners in the Coordinating Action on Small Arms mechanism will continue to work with governmental policymakers and practitioners, as well as with international and regional organizations, civil society organizations and the private sector, to make full use of the International Small Arms Control Standards when designing small arms control programmes, monitoring their progress and evaluating their impact.

The UN Safer*Guard* Programme and the international ammunition technical guidelines

43. In his 2015 report to the Security Council on the issue of small arms and light weapons (S/2015/289), the Secretary-General urged that specific attention be paid to the illicit flows of ammunition since patterns of ammunition supply may influence the development of a conflict, including by rendering existing weapons unusable without adequate supply. Therefore, a focus on preventing the resupply of ammunition, in particular in situations of high risk to civilian populations, should be a priority.

44. Ammunition diverted from national stockpiles often finds its way into civil wars, crime and other types of armed violence, threatening the security of States. Increasingly, diverted conventional ammunition is also used to assemble improvised explosive devices, which can be used in acts of terrorism. Furthermore, the unsafe stockpiling of ammunition has led to grave unintended explosions, sometimes in civilian areas, and with disastrous consequences. Such explosions have affected over 100 countries worldwide.

45. The urgent concern of the Member States about this issue has led to the development of the international ammunition technical guidelines and the establishment of the umbrella implementation programme for the guidelines (UN Safer*Guard*) on ammunition management, as mandated by the General Assembly (see document A/63/182 and resolutions 63/61 and 66/42). The aim of the guidelines is to assist national authorities, industry and others in their efforts to enhance the safety and security of ammunition stockpiles, thus reducing the dual risks of

explosions and diversion. The guidelines, which are harmonized, where relevant, with the International Small Arms Control Standards, are structured to offer three levels of ascending comprehensiveness, to be applied according to the specific needs of a particular country or situation. The basic level presents the most expedient ways to apply the essential principles of safe and secure whole-life ammunition management. Subsequent levels detail progressive measures that can be taken so that the highest standards are attained.

46. The UN Safer*Guard* Programme, which is now in its implementation phase, and counts over 80 Member States, international and regional organizations and non-governmental organizations among its partners.

47. Through the support of the Governments of Finland and Japan, the UN Safer*Guard* quick response mechanism, which was also welcomed by the General Assembly, is now also in place. The mechanism allows ammunitions experts to be deployed rapidly to assist States, upon request, in the urgent management of ammunition stockpiles.

48. The mechanism has provided support in the interdiction of illegal dangerous goods, the monitoring of Security Council arms embargoes and assistance to States in post-disaster ammunition management.

49. A key goal of the quick response mechanism is to provide ammunition stockpile management assistance and capacity-building before disaster strikes. Since its launch in 2014, stockpile management visits and training courses have been organized, at the request of Member States, in over 20 countries in Africa, the Asia-Pacific, Eastern Europe, Latin America and the Middle East.

50. Complementary to the UN Safer*Guard* quick response mechanism, in 2009 the United Nations Mine Action Service developed a rapid response and technical support capacity programme to mitigate threats posed by a wide range of explosive hazards, including unsafe and unsecure ammunition stockpiles. Along with other work done by the Service on arms and ammunition management (see annex), within the reporting period, at the request of the Member States, the capacity programme was deployed to provide assistance in ammunition management and to promote the implementation of international standards in Guinea-Bissau and Sierra Leone.

51. The training materials for the international ammunition technical guidelines and UN Safer*Guard* are available in Arabic and English, and the French and Russian versions are under preparation.

United Nations Coordinating Action on Small Arms

52. The United Nations is actively engaged in supporting the efforts of Member States to combat the illicit trade in small arms and light weapons, drawing on the unique strengths and expertise of its different departments, agencies and programmes, which are brought together through the Coordinating Action on Small Arms mechanism.

53. All 23 participating entities of the United Nations stand ready to provide coordinated advice and support to Member States to ensure the full and effective implementation of the Programme of Action and the International Tracing Instrument.

54. In the annex to the present report there is an overview of the work undertaken by United Nations entities during the reporting period in providing assistance to Member States to address the illicit trade in small arms and light weapons.

III. Observations and conclusions

55. The commitment of the international community to addressing the issue of the illicit trade in small arms and light weapons remains unwavering. During the reporting period, Member States took stock of new developments, including in the field of weapons technology and design, which may have an impact on this issue.

56. While Member States are increasingly aware that new technologies could be useful in their ongoing efforts to address the uncontrolled proliferation of small arms and light weapons, and are committed to devising appropriate strategies in this regard, they are also cognizant of the fact that some new technologies could pose additional challenges to combatting the illicit trade in small arms and light weapons.

57. The entry into force of the Arms Trade Treaty is a significant development in the global efforts to stem the illicit trade in small arms and light weapons. The Treaty will strengthen and complement the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects in the area of export assessment, preventing diversion and countering illicit arms brokering.

58. Coordination within the wider United Nations system is essential for the continuation of support to national and regional efforts and for the full and effective implementation of the Programme of Action.

59. The strong call by Member States for the enhancement of international cooperation and assistance to combat the illicit trade in small arms and light weapons demonstrates that more needs to be done in the area of resources mobilization and the matching of those resources with existing needs.

60. In addition, further strengthening of partnerships with international and regional organizations and with civil society organizations, including women's groups, will continue to be critical in the ongoing efforts of the international community to make headway in addressing the issue of the illicit trade in small arms and light weapons.

Annex

Activities undertaken by United Nations programmes and agencies from August 2014 to July 2015

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Department of Peacekeeping Operations/United Nations Mine Action Service				
Central African Republic		Weapons and explosive hazard management; refurbishment and construction of weapons and ammunition storage facilities; weapons collection and destruction in support of the disarmament, demobilization and reintegration programme		Information-sharing and technical advice to the panel of experts of the United Nations Sanctions Committee
Côte d'Ivoire	Support to national authorities in developing a national strategy, an action plan for physical security and stockpile management, and national ammunition storage guidelines in French	Construction and rehabilitation of armouries and ammunition storage facilities; ammunition stockpile destruction	Weapons and ammunition training for the armed forces, gendarmerie and police	Facilitation of South-South cooperation through visits to Côte d'Ivoire by members of security forces from Chad, the Sudan, Mali and the Democratic Republic of the Congo; information-sharing and technical advice to the panel of experts of the United Nations Sanctions Committee
Democratic Republic of the Congo		Weapons collection and destruction in support of the disarmament, demobilization and reintegration programme; construction/refurbishment of national police weapon and ammunition storage facilities	Establishment of regional weapons and ammunition depots and training of national security forces in safety management in Kisangani, Province Orientale	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Guinea-Bissau		At the request of the United Nations Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS), the United Nations Mine Action Service participated in an assessment of ammunition stockpile management (November 2014)		
Haiti		Weapons and ammunition management (2014); refurbishment and construction of armouries; ammunition and explosives destruction; provision of weapons destruction capacity to national authorities (2015)	Training of Haitian National Police in weapons and ammunition management (2014)	
Mali		Weapons and ammunition management; ammunition stockpile destruction	Training of Malian defence and security forces in stockpile management (2013, ongoing)	
Libya		Weapons and ammunition management	Training of national partners, including the Libyan Mine Action Centre, in weapons and ammunition management	
Somalia	Development of a United Nations strategy to support national authorities in weapons and ammunition management; technical support to national authorities in developing a weapons and ammunition management strategy	Weapons and ammunition management (2014, ongoing)	Training in weapons marking and destruction for Somali security forces	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Sierra Leone		In collaboration with the United Kingdom international security advisory team, supported national armed forces in ammunition destruction operations and provided mobile armouries (2014)		
South Sudan		Collection of small arms from protection-of-civilian sites at United Nations Mission in the Republic of South Sudan (UNMISS) bases; destruction of weapons stored by troop-contributing countries, upon request		
Sudan/Abyei	Development of a United Nations Interim Security Force for Abyei (UNISFA) weapons and ammunition management manual	Confiscation and destruction of small arms and light weapons in Abyei; Establishment of weapons storage containers; development of weapons destruction capacities	Technical advice and training on weapons and ammunition management for troop-contributing countries to UNISFA	
Sudan (Darfur)	In consultation with other components of the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and the United Nations Development Programme (UNDP), developed a UNAMID strategy on small arms and light weapons	Refurbishment of ammunition storage facilities for the national police	Training national partners and technical assistance to UNAMID on weapons and ammunition management	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Office of the United Nations High Commissioner for Human Rights (OHCHR)				
				Organization of expert panel discussion as side-event at the twenty-ninth session of the Human Rights Council on the application of the human rights criteria in the Arms Trade Treaty
United Nations Development Programme (UNDP)				
* Work in indicated countries undertaken in partnership with the South Eastern and Eastern Europe Clearinghouse for the Control of the Small Arms and Light Weapons				
Albania*	Supported the Albanian authorities in establishing a commission on small arms and light weapons.	Developed a record-keeping and reporting software for the Albanian Exports Control Authority; supported the establishment of a national electronic register for small arms and light weapons; supported an exchange visit with Ministry of Defence of Bosnia and Herzegovina to explore possibilities of cooperation in the disposal of ammunition for small arms and light weapons		
Bosnia and Herzegovina*		Utilized the International Small Arms Control Standards in organizing a small arms collection and destruction campaign; supported small arms and light weapons collection and awareness-raising campaign during a year-long legalization (2014);		

Country	Legislation and procedures	Stockpile management, marking, record-keeping, collection destruction	Training awareness-raising	Other
		supported the disposal of a total of 4,045 items of small arms and light weapons; installed 19 security doors at four ammunition and small arms and light weapons storage locations set up by the Ministry of Defence; improved record-keeping and reporting software for arms transfers licences; procured equipment for the State investigation and protection agency		
Burundi			Provided support to the permanent national commission to address the proliferation of small arms and light weapons; organized a voluntary return-of-small-arms campaign resulting in the handover of 9,824 weapons	
Colombia				Implemented citizen security/armed violence reduction pilot projects in conflict-affected areas and developed a programme to strengthen national capacities to address violence
Côte d'Ivoire		Together with the United Nations Regional Centre for Peace and Disarmament in Africa, supported the national commission in developing a manual of procedures and		

Country	Legislation and procedures	Stockpile management, marking, record-keeping, collection destruction	Training awareness-raising	Other
		training tools on physical security and stockpile management, in accordance with the International Small Arms Control Standards and the international ammunition technical guidelines; supported the national police in implementing the marking of weapons, the training of database managers on recording techniques, the assignment and tracking of weapons, the electronic registration of weapons for better management; and the monitoring and rehabilitation of new armouries and weapons collection initiatives with the national commission against proliferation of small arms and light weapons		
El Salvador				Support to national policy dialogue on citizen security and armed violence reduction; implementation of armed violence reduction initiatives at the municipal levels
Honduras				Support to strengthen national and capacities to implement strategies to reduce armed violence and improve citizen security

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Kenya		Through the Kenyan national focal point on small arms and light weapons, supported the marking of such weapons in Turkana, in accordance with international standards		Supported the professionalization of the national police reserves in order to combat the proliferation of small arms, counter radicalization and increase security at community levels
Kosovo*	Developed standard operating procedures for the police for the tracing of small arms and light weapons	Supported the destruction of 3,731 small arms and light weapons and 2,705 parts and components of such weapons; completed security upgrades at the Kosovo Ministry of Internal Affairs ammunition storage facility for small arms and light weapons in Kosovo Polje; procured equipment for the Kosovo Police to improve investigation and tracing of offences related to the use of small arms and light weapons	Held 8 workshops on the tracing of small arms and light weapons for 166 police officers	
Montenegro*		Supported the destruction of 1,489 small arms and light weapons and 12,867 pieces of ammunition; initiated support for the collection and awareness-raising campaign on small arms and light weapons, which started in June 2015, during the legalization amnesty; improved record-keeping and reporting software for arms transfers licences; completed security upgrades at the		

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
		storage facility of the Montenegro armed forces in Brezovik		
Nepal		Technical support provided to the Ministry of Home Affairs on application of the International Small Arms Control Standards in the control of small arms and light weapons		Technical assistance for the development of a national strategy on small arms and light weapons; implementation of armed violence reduction initiatives at community levels
Serbia*	Facilitated information and experience exchange with the Croatian Ministry of the Interior in the preparation of the new law on weapons and ammunition	Supported small arms and light weapons collection and awareness-raising campaign; improved record-keeping and reporting software for arms transfers licenses; supported publishing of Serbia's national arms transfers report for 2013; procured equipment for improved tracing of firearms and ammunition at the Serbian national forensic centre; disposed of 20,367 kg of white phosphorus	Organized missions to Montenegro and Croatia devoted to information and experience exchange on small arms and light weapons-related issues	Conducted an analysis of small arms and light weapons-related incidents reported in the media ("Targeting Weapons"), to gain a better understanding of the use and presence of small arms and light weapons in Serbia
Sah el: Niger, Mali, Côte d'Ivoire, Guinea-Bissau, Sierra Leone, Nigeria	In partnership with the Economic Community of West African States (ECOWAS), with funding from the European Union, implemented project to strengthen voluntary small arms collection and awareness-raising on the dangers associated with proliferation of small arms and light weapons	Support to ECOWAS to strengthen operational capacity of institutions (including small arms commissions, security institutions and civil society organizations) to prevent the illicit spread of small arms and light weapons, including training of community leaders and security providers	Undertook communications strategies to change behaviour patterns of border communities with regard to small arms and light weapons and establishing partnerships with regional economic communities and United Nations agencies working in the Sahel region	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Regional project: Burkina Faso, Cameroon, Chad, Mali, Mauritania, Niger, Nigeria and Senegal				Developed perception studies of communities looking at radicalization and violent extremism to assist in developing programmes to strengthen social cohesion and resilience of those affected communities
Somalia		Supported the United Nations Assistance Mission in Somalia (UNSOM) in building the capacity of the Federal Government of Somalia to manage and report on arms imported under the partially lifted Security Council arms embargo, using the International Small Arms Control Standards as a guide		Support to conduct a small arms and light weapons perception survey
Sudan			Support provided to conduct awareness-raising campaigns	Technical support to the national small arms and light weapons focal point to implement his/her mandate Implementation of community-level community security and small arms control initiatives
South Sudan				Technical support provided to strengthen capacities of the bureau for community security and small arms control to implement its mandate

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
The former Yugoslav Republic of Macedonia*		Supported the destruction of 782 pieces of confiscated small arms and light weapons; carried out installation of 17 security doors and 3 gates, as well as building and/or reparation of a perimeter fence at the small arms and light weapons and ammunition storage location of the Ministry of the Interior in Orman		
Western Balkan region*	Published a report on and toolkit for addressing unauthorized re-export or retransfer of arms and ammunition; compiled and published the South-Eastern Europe small arms and light weapons law compendium, containing information on all small arms and light weapons-related national legislative frameworks in the region (available online in original language and English)	Developed a weapons categorization tool, assisting with accurate reporting for the United Nations, the Organization for Security and Cooperation in Europe (OSCE) and the Arms Trade Treaty		Published the regional report on arms exports in 2013; developed a knowledge exchange platform on arms exports for 6 countries in the Western Balkans, assisting the daily work of licensing officers; held 3 meetings of the regional information exchange process in arms exports; established/held two meetings of the South-East Europe Firearms Expert Network; held two formal regional meetings of small arms and light weapons commissions
United Nations Children's Fund/Eastern and Southern Africa Regional Office				
Eritrea	Advocacy and policy support activities ongoing		Establishment of child friendly safe spaces in schools in contaminated areas and integrating small arms and light weapons risk education	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Somalia	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons ongoing with the United Nations Mine Action Service/ local NGOs	
South Sudan	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
United Nations Children's Fund/West and Central Africa Regional Office				
Chad	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
Congo	Advocacy and policy support activities ongoing		Establishment of temporary learning spaces and risk education	
Democratic Republic of the Congo	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
Mali	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
United Nations Children's Fund/Middle East and North Africa Regional Office				
Jordan	Advocacy and policy support activities ongoing		Integrated risk education reached Syrian refugee children	
Iraq	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
Lebanon	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
Libya	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
State of Palestine	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
Syria	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
Yemen	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
United Nations Children's Fund/East Asia and Pacific Regional Office				
Cambodia	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
Myanmar	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
United Nations Children's Fund/Central and Eastern Europe and the Commonwealth of Independent States Regional Office				
Bosnia and Herzegovina	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	
Ukraine	Advocacy and policy support activities ongoing			
United Nations Children's Fund/Latin America and the Caribbean Regional Office				
Belize	Advocacy and policy support activities ongoing		Early warning system in the schools to generate data on children at risk of exposure to gang/armed violence	Established a national coordination mechanism for armed violence prevention
Brazil	Advocacy and policy support to integrate the programme for lethal violence reduction into youth policy activities, ongoing		Programme for lethal violence reduction (http://prvl.org.br/)	Municipal guide on the reduction of lethal violence developed; series of trainings provided on adolescent homicide prevention and reduction
Colombia	Advocacy and policy support activities ongoing		Education on risks related to small arms and light weapons	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection/destruction*	*Training/awareness-raising*	*Other*
Costa Rica	A national plan to combat violence against children and adolescents developed		"Gun-free school" programme for the prevention of use of weapons in schools and communities	Integration of a specialized course for judges at the judicial training institution
Guatemala	Advocacy and policy support activities ongoing		Awareness-building on the impact of armed violence on the rights of the child	Establishment of a committee against child abuse in the hospitals
Honduras	Comprehensive national reform policy on child and family matters approved		School/community-based risk education on small arms and light weapons to reduce recruitment of young people	Psychosocial support and victim assistance ongoing
Jamaica	Draft national child diversion policy developed		Awareness-raising about small arms and light weapons through local committees	Developed training manual on positive parenting for children and adolescents at risk
Mexico	Advocacy for policies and protocols on armed violence prevention		Capacity-building of national authorities on systems for gathering data on use of small arms and light weapons	Broader integration of armed violence prevention into studies, policies, laws and budget allocations
Nicaragua	National children's and adolescents' code in place		Education on risks related to small arms and light weapons	Training of the judicial and police staff on promoting child justice and conflict resolution
Venezuela (Bolivarian Republic of)	Advocacy and policy support activities ongoing		Study ongoing on bottleneck and barrier analysis of armed violence reduction programmes	Development of a road map on armed violence prevention

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
United Nations Institute for Disarmament Research				
Africa, Latin America and the Caribbean, the Pacific and South East Europe			Organized regional capacity-building workshops on the International Small Arms Control Standards assessment tool (July-December 2014), in collaboration with regional partners, including on the dissemination of the standards and the assessment tool	
Global				Development of international small arms and ammunition guidance platform (2015) prototype to improve accessibility and applicability of the International Small Arms Control Standards and the international ammunition technical guidelines (IATG)
Global				Examining models and options for the harmonization of end Use/r control systems (2015)
Somalia		United Nations Institute for Disarmament Research (UNIDIR), United Nations Assistance Mission in Somalia (UNSOM), United Nations Mine Action Service, UNDP: weapons and ammunition management in Somalia (2014-2015, ongoing), to enhance the capacity of national authorities in the design and		

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
		implementation of a national framework on weapons and ammunition		
United Nations Office for Disarmament Affairs				
Kosovo			In cooperation with the UNDP office in Kosovo, provided training on the international ammunition technical guidelines to national authorities under the UN Safer*Guard* Programme on ammunition stockpile management (17-28 November 2014)	
United Arab Emirates			In cooperation with a national training centre, provided two training courses on the international ammunition technical guidelines under the UN Safer*Guard* Programme to national authorities and industry (7-17 December 2014)	
Ukraine		In partnership with OSCE, supported the Ukrainian Government in stockpile management, using the international ammunition technical guidelines under the UN Safer*Guard* Programme (May 2015)		

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
United Nations Office for Disarmament Affairs/United Nations Regional Centre for Peace, Disarmament and Development in Latin America and the Caribbean				
Latin America and the Caribbean	Utilized the International Small Arms Control Standards to derive standard operating procedures and training materials on stockpile management and destruction			
Latin America and the Caribbean	Legal and technical guidance in the drafting of new regulatory frameworks; provided legal opinions and recommendations on harmonizing small arms bills of law and current national legislation with international and regional legal instruments		Training of nearly 100 import/export officials through the Arms Trade Treaty implementation training course, including on the utilization of practical risk assessment checklists and standardized end-user documentation developed by the Centre	
Latin America and the Caribbean			Approximately 500 security sector officials were trained in various aspects of conventional arms control, including marking and record-keeping, tracing and stockpile management	
Latin America and the Caribbean			Delivery of a series of training workshops on small arms issues and proper control measures	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Latin America and the Caribbean			Capacity-building course aimed at female legal operators to address impunity in illicit small arms trafficking and related crimes, including femicide; launched the second edition of an online publication on the implementation of resolution 65/69, entitled "Forces of Change II"	Developed a gender-risk assessment tool to help States identify gender- and youth-based risks involved in the exportation of arms and ammunition
			Event organized in Mexico gathering 25 experts on gender and/or on conventional arms control in order to review good practices in incorporating gender and youth approaches in disarmament and arms control programmes, and evaluate practical ways to include gender in the assessment of arms exports covered by the Arms Trade Treaty	
United Nations Office for Disarmament Affairs/United Nations Regional Centre for Peace and Disarmament in Asia and the Pacific				
Asia-Pacific	Regional legal assistance workshop on the Arms Trade Treaty (November 2014)			
Pacific			Participated and contributed substantively to the regional training-of-trainers workshop in the Pacific on the International Small Arms Control Standards and its assessment tool (December 2014)	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Bangladesh			Workshop on capacity-building for the Programme of Action and the Arms Trade Treaty (June 2015)	
United Nations Office for Disarmament Affairs/United Nations Regional Centre for Peace and Disarmament in Africa				
Africa				Mapping of bilateral and multilateral assistance and cooperation activities related to the Arms Trade Treaty in Africa, in cooperation with the Stockholm International Peace Research Institute
African small island developing States				Meeting organized on the requirements for the implementation of the Arms Trade Treaty, funded by the United Nations Trust Fund Facility Supporting Cooperation on Arms Regulation
African Union	Support to the African Union at a meeting organized in June 2015 to prepare African States for the first conference of the States Parties to the Arms Trade Treaty			Substantive assistance provided to the African Union, including through the African Union regional steering committee on small arms and light weapons and disarmament, demobilization and reintegration and the steering committee for the African Union-European Union project "Fight against Illicit Firearms in Africa"

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Economic Community of Central African States and Economic Community of West African States (ECOWAS)		Contributed expertise to the first independent expert meeting on the establishment of the ECOWAS register and database on small arms and light weapons	Cooperated with both Economic Communities on the harmonization of guidelines for the Arms Trade Treaty and subregional instruments on disarmament	
Regional Centre on Small Arms in the Great Lakes Region, the Horn of Africa and Bordering States				Provided substantive support to activities organized by the Regional Centre, the United Nations Office for Disarmament Control, the European Union outreach project; on the Arms Trade Treaty; and supported training sessions and seminars organized by civil society organizations and academia
Burkina Faso, Liberia, Niger and Sierra Leone		Provided training and capacity-building on small arms control, stockpile management and the role of civil society organizations in disarmament, as well as support in marking and registration activities; in coordination with the headquarters of the United Nations Office for Disarmament Control; and provided marking machines and training in the marking and registration of small arms and light weapons in Burkina Faso, Niger and Sierra Leone	Conducted marking training in Liberia, with the United Nations Mission in Liberia (UNMIL), and in Togo with technical support of experts from Côte d'Ivoire and Ghana	

Country	*Legislation and procedures*	*Stockpile management, marking, record-keeping, collection destruction*	*Training awareness-raising*	*Other*
Mali	Provided legal and policy support in reviewing and updating national small arms legislation	Support to the marking and registration of small arms and light weapons; developed standard operating procedures for the management of imported weapons	Capacity-building on arms control for national authorities and staff from the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA); piloted a weapons identification and tracing course (identification of small arms and light weapons) and conducted an inter-institutional training course on the control of such weapons in Africa; provided technical support to empower national civil society organizations in raising awareness about small arms and light weapons	
Nigeria	Provided legal and policy assistance to the Government of Nigeria in reviewing and updating its small arms legislation			
Togo	Provided legal and policy support in reviewing and updating national small arms legislation		Supported a civilian-owned weapons-marking programme accompanied by a sensitization campaign	

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Macroeconomic policy questions: commodities

World commodity trends and prospects

Report of the Secretary-General

Summary

The present report, prepared by the secretariat of the United Nations Conference on Trade and Development pursuant to General Assembly resolution 68/203, reviews recent developments in key commodity markets and analyses the factors that contributed to fluctuations in commodity prices in 2013 and 2014. Information on the first four months of 2015 is also included where available. Imbalances between supply and demand weighed prices down for most commodities in the agricultural sector, for minerals, ores and metals and the energy markets. For many commodity markets, the general downward pressure is also combined with short-term fluctuations. Those developments have had significant impacts on the economies of commodity-dependent developing countries and on investors and farmers. The present report also explores ways to strengthen coordination between international organizations and other relevant institutions dealing with commodities issues.

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I. Introduction

1. The present report on world commodity trends and prospects, prepared by the secretariat of the United Nations Conference on Trade and Development (UNCTAD) pursuant to General Assembly resolution 68/203, follows the previous report issued in July 2013 (A/68/204). In it, recent developments in commodity markets focusing on price trends and their determinants are analysed. The three major commodity groups covered in the report are: (a) agricultural commodities — food, tropical beverages, vegetable oilseeds and oils, and agricultural raw materials; (b) minerals, ores and metals; and (c) energy — oil, gas and coal. Although the report focuses on the period 2013-2014, information for the first four months of 2015 is also included, where available.

2. The report also highlights some of the key challenges and opportunities for strengthening coordination between international organizations and other relevant institutions dealing with commodities issues. It emphasizes the progress made since the food crisis of 2007-2008, while stressing the need to improve the framework for international commodities policies. That would imply developing a common vision based on the post-2015 development goals, focusing on the elimination of hunger by 2030, the improvement of the policy environment for adding value to commodities and an improvement in commodities and derivatives markets.

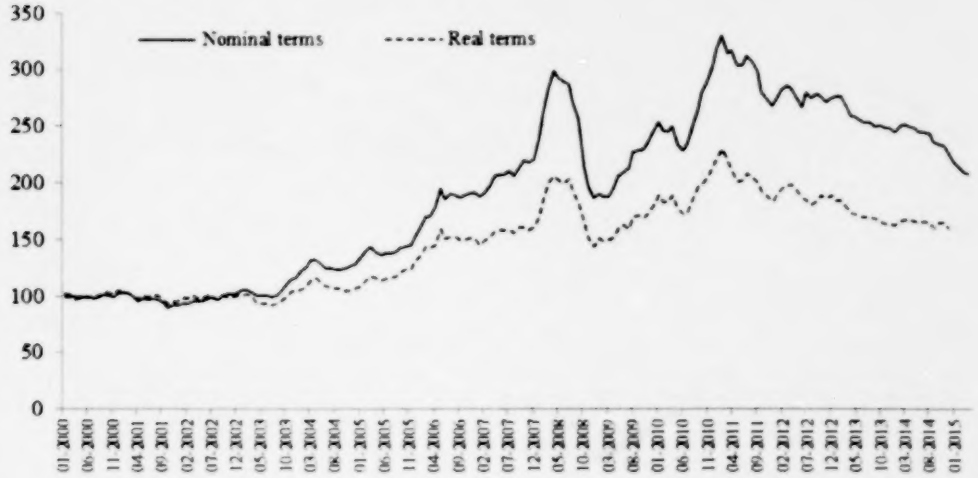
II. Market developments in major commodity groups

A. General overview

3. Global commodity markets have been weakening from the peaks recorded in 2011. The value of the UNCTAD non-oil nominal commodity price index[1] averaged 208 points in April 2015, 37 per cent lower than its peak of 329.5 points in February 2011. In real terms, the index has also decreased significantly, from nearly 230 points in February 2011 to 160 points in December 2014 (see figure I).

[1] The UNCTAD non-oil nominal commodity price index covers the following subgroups of commodities: all food (food, tropical beverages, vegetable oilseeds and oils), agricultural raw materials and minerals, ores and metals.

Figure I
UNCTAD non-oil price index, nominal and real terms (January 2000-April 2015)
(2000=100)



Source: UNCTAD secretariat, based on data from UNCTADstat and the United Nations Statistics Division.

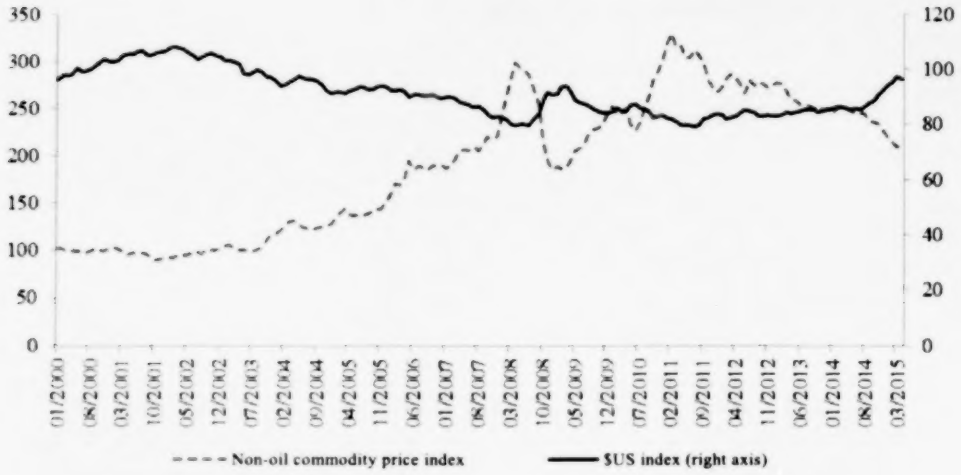
Note: The real price index was obtained by deflating the nominal price index by the unit value index of manufactured goods exported by developed market economy countries (United Nations Statistics Division).

4. Falling commodity prices have been associated with a number of factors, including excess supply; slowing demand from China and the emerging economies; faltering economic recovery in advanced economies such as the European Union; and recently the strengthening of the United States dollar, buoyed by signs of improvement in the economy of the United States of America (see figure II).[2]

[2] The negative relationship between commodity prices and the value of the United States dollar is confirmed by a negative correlation coefficient of 0.93 between the UNCTAD non-oil nominal commodity price index and the United States dollar index over the period January 2000-April 2015.

Figure II
UNCTAD non-oil commodity price index and the United States dollar index January 2000-April 2015

(2000=100)

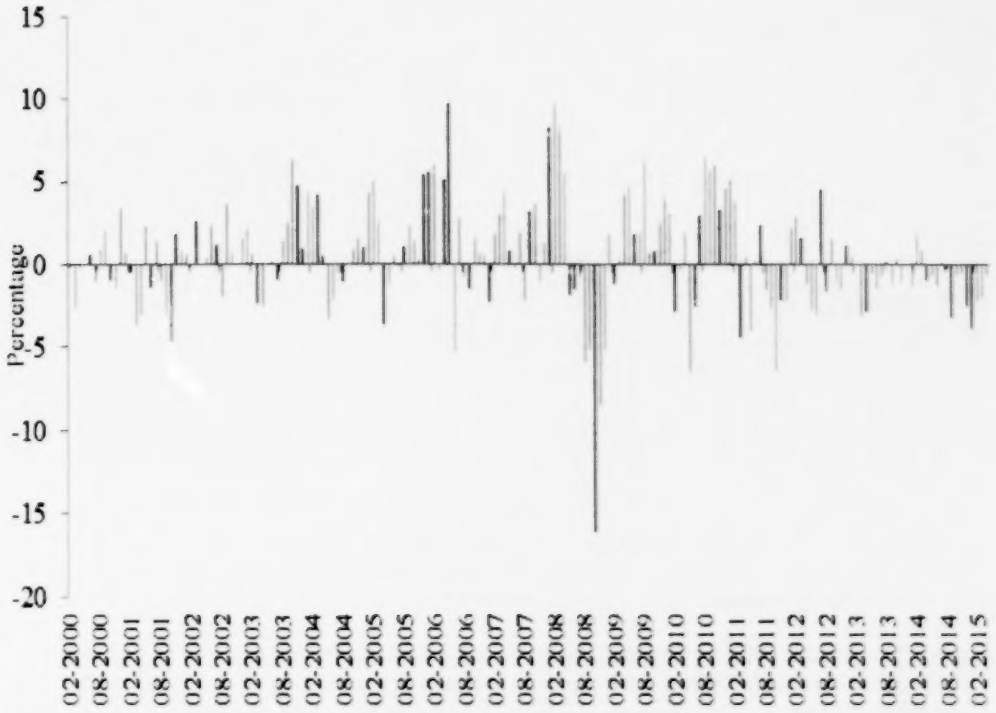


Source: UNCTAD secretariat calculations, based on data from UNCTADstat and the Federal Reserve of the United States.

Note: The United States dollar index refers to the monthly value of the nominal broad dollar index from the database of the Federal Reserve of the United States (accessed on 3 June 2015).

5. Fluctuations in commodity prices have generally narrowed over the last three years (see figure III). That might be partly attributed to a number of initiatives undertaken by the international community following a period of excessive price swings between 2008 and 2011. Some of those initiatives are discussed in section III of the present report.

Figure III
Monthly fluctuations of the UNCTAD non-oil nominal commodity price index
(2000=100)



Source: UNCTAD secretariat calculations based on data from UNCTADstat.
Note: Monthly fluctuations of the price index series p_t (monthly values) are measured by $r_t = (p_t - p_{t-1})/p_{t-1}$.

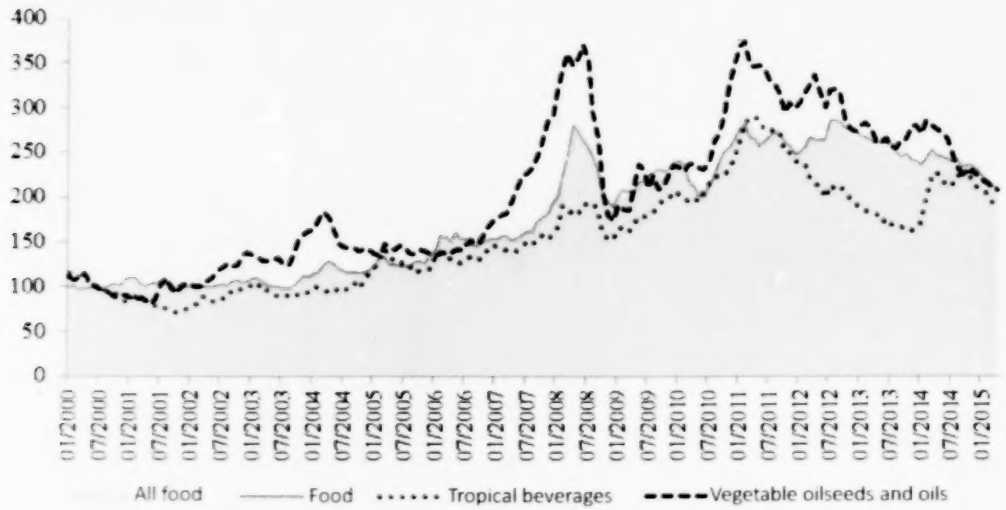
6. Price trends in commodities markets have however differed across individual or groups of commodities. The following section examines the developments in major commodities groups.

B. Agricultural and food commodities

7. In agricultural food markets, a rebound in prices during the summer of 2012 amid dry weather reversed afterwards as weather conditions improved. As a result, agricultural food prices declined, but with short-term upward swings (see figure IV). However, at times, the price trends of individual commodities diverged.

Figure IV
Price indices of selected commodity groups, January 2000-April 2015

(2000=100)



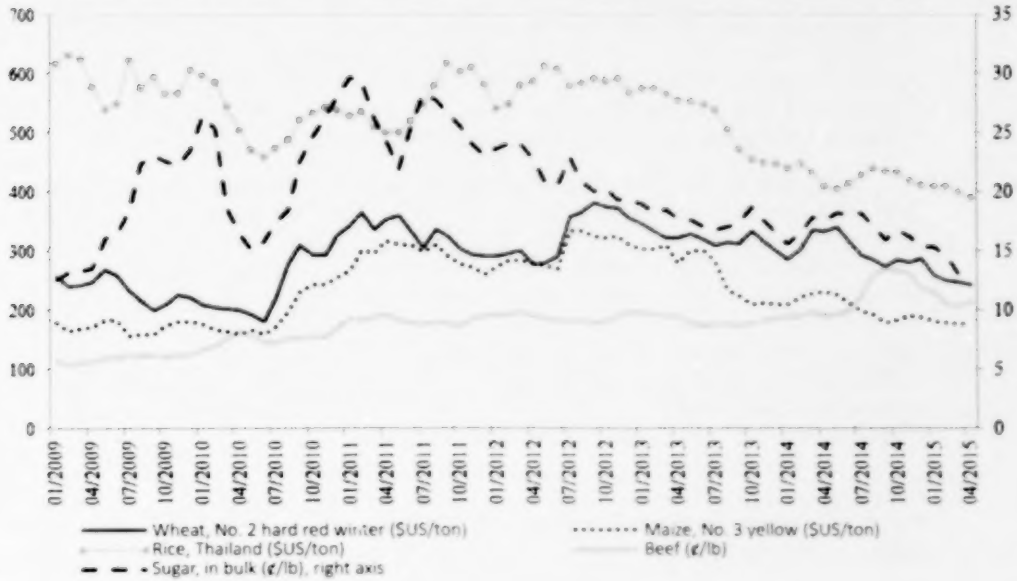
Source: UNCTAD secretariat, based on data from UNCTADstat.
Note: The UNCTAD "all food" price index covers groups of foods, tropical beverages, vegetable oilseeds and oils.

8. In grain markets, prices trended down after the summer of 2012 thanks to good crop conditions which helped to replenish stocks. Grain prices rebounded briefly during the first half of 2014 on weather concerns in the main agrifood producing countries, such as the United States and Brazil, and tensions in the Black Sea region. For example, the price of wheat (Hard Red Winter No. 2) dropped by a quarter, from $382 per ton in September 2012 to $287 in January 2014 and increased to $340 in May 2014. Similarly, the price of Yellow Maize No. 3 decreased from $333 per ton in August 2012 to $210 in January 2014 before it increased again to $231 in April 2014. Thereafter, as harvest conditions improved and helped to boost production, grain prices dropped. In April 2015, wheat and maize prices averaged $244 and $177 per ton respectively, their lowest levels since August 2010.

9. Looking ahead, wheat and maize markets should remain calm, at least throughout the next season, led by continuing good supply conditions, unless adverse weather patterns hit major planting areas. According to the International Grains Council, wheat and maize production for 2014/2015 should reach record levels of 721 and 997 million tons, respectively, which will help to increase existing stocks. Production is expected to weaken slightly for the next season but stocks carried over from the previous years should keep the markets well supplied.[3]

[3] See International Grains Council grain market report No. 455 (28 May 2015).

Figure V
Nominal prices of selected food and agricultural commodities, January 2009-April 2015



Source: UNCTAD secretariat, based on data from UNCTADstat.

10. In rice markets, the price per ton of Thai rice, the Asian benchmark, has trended down since mid-2012, albeit with short-term fluctuations. From an average of $612 per ton in May 2012, the price dropped to $404 in May 2014, thanks to high yields and comfortable stocks. Thereafter, adverse weather conditions in Thailand, coupled with the decision of the country's famers to curb rice planting following the end of the government subsidy programme, contributed to pushing up prices. By August 2014, the average price of Thai rice had increased to $440 per ton. Thereafter, as the Government of Thailand continued to release its stocks, rice prices decreased steadily, falling by 11 per cent from August 2014 to average $392 per ton in April 2015, the lowest level since January 2008. If that price trend persists, growers in major producing countries are likely to switch to more profitable crops, raising concerns about future production. However, current stock levels, estimated at 103 million tons, and good crop conditions should continue to keep rice markets oversupplied in the short and medium term.

11. In sugar markets, prices generally trended downward, starting from 2011, albeit with short term fluctuations. In April 2015, the average price of sugar was 13 cents per pound, the lowest level since January 2009; it corresponds to a 57 per cent decline from the peak of 30 cents per pound in January 2011. Lower sugar prices were mainly due to good harvest conditions, which allowed large global inventories to be built up. The situation was recently exacerbated by the weakening of the Brazilian real against a strong United States dollar, which boosted exports from Brazil, the major exporter. Sliding prices in sugar markets are expected to continue for a while due to an expanding glut. According to the International Sugar Organization, world sugar production in 2015 should exceed demand for the fifth year in a row.

12. In contrast to almost all food and agricultural commodities prices, beef prices rallied for most of 2014, as a result of tight supply induced by drought and high feed costs in the United States, which weighed on global meat production. The price for Australian and New Zealand frozen beef jumped by nearly 45 per cent from 187.5 cents per pound in January to 272 cents per pound in September 2014. Thereafter, increased supplies of substitutes for beef, such as pork and poultry, coupled with signs of weakening demand from emerging countries contributed to lower prices. In April 2015, the average beef price had dropped to 214 cents per pound.

13. In vegetable oilseeds and oils markets, the general downward trend in prices from 2011 was interrupted during the summer of 2012 and the winter of 2013-2014 by adverse weather patterns (see figure VI). Thereafter, improved crop conditions in major oilseed exporting countries including the United States, Brazil, Indonesia and Malaysia helped to boost production, resulting in declining prices. In April 2015, the UNCTAD vegetable oilseeds and oils price index averaged 208 points, 44 per cent down from its peak of 374 points in February 2011. Over the same period, soybean oil and palm oil prices dropped by 45 and 49 per cent respectively. The situation was exacerbated by the slump in crude oil prices that weakened interest for biofuel production, which uses vegetable oils as inputs.

Figure VI

Prices of selected commodities in vegetable oilseeds and oils market, January 2009-April 2015

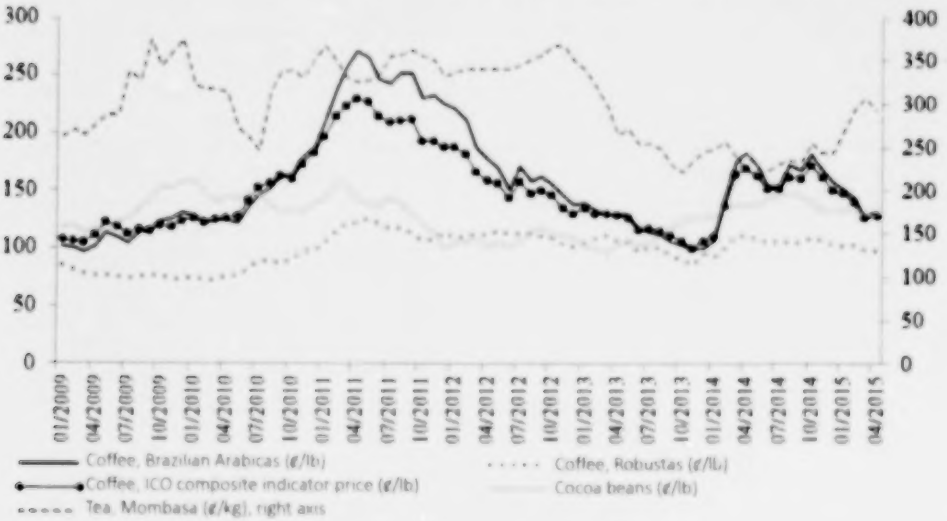
Source: UNCTAD secretariat, based on data from UNCTADstat.

14. In the markets for tropical beverages, prices followed divergent paths from 2013 onwards (see figure VII). In coffee markets, the International Coffee Organization composite indicator price continued to tumble in 2013 from its peak of 231 cents per pound in April 2011. In November 2013, the indicator price reached 101 cents per pound, its lowest level since June 2007. The sustained decline in coffee prices primarily reflected a significant drop in the prices of the Arabica variety, owing to high yields in Brazil, the world's largest producer, and sluggish demand from traditional coffee-consuming countries. However, prices rebounded during the first quarter of 2014, following a severe drought in Brazil. By April 2014, the coffee indicator price had climbed to 171 cents per pound, 69 per cent up from its value in November 2013. Thereafter, the monthly average of the indicator price fluctuated between 152 and 173 cents per pound until October 2014. Thereafter, trends in coffee prices reversed, thanks to a number of factors, such as good harvests in major producing countries including Brazil, Colombia and Viet Nam; strong exports boosted by a weak Brazilian real; and moderate growth in demand. Between October 2014 and April 2015, the indicator price lost nearly a quarter of its value. The situation is likely to remain unchanged, at least throughout 2016, unless significant shocks hit market fundamentals.

15. In cocoa markets, prices recovered from low levels in 2013. From 98 cents per pound in March 2013, the lowest level since November 2008, prices for cocoa beans climbed to 148 cents in August 2014. That rally was primarily due to strong demand from non-traditional consuming areas, such as Asia, and concerns over production following the Ebola outbreak in West Africa. That price increase occurred in a context of well-supplied markets and with global production estimated at a record 4.36 million tons for the 2013/2014 crop season. Good production expected for the following season, a strong United States dollar and a slowdown in cocoa grindings later contributed to decreasing cocoa bean prices. Between August 2014 and April 2015, the monthly value of cocoa beans prices fell by 12 per cent.

16. In tea markets, the price of Mombasa black tea dropped from the high levels reached in 2012 and remained relatively low in most of 2013 and 2014. From 368 cents per kilogram in November 2012, the price dropped to 220 cents in May 2014, the lowest level since January 2008, led mainly by ample supplies. However, in early 2014, the Mombasa tea price rebounded to reach 308 cents per kilogram in March 2015, owing mainly to dry weather conditions in growing areas.

Figure VII
Prices trends of selected tropical beverage commodities, January 2009-April 2015

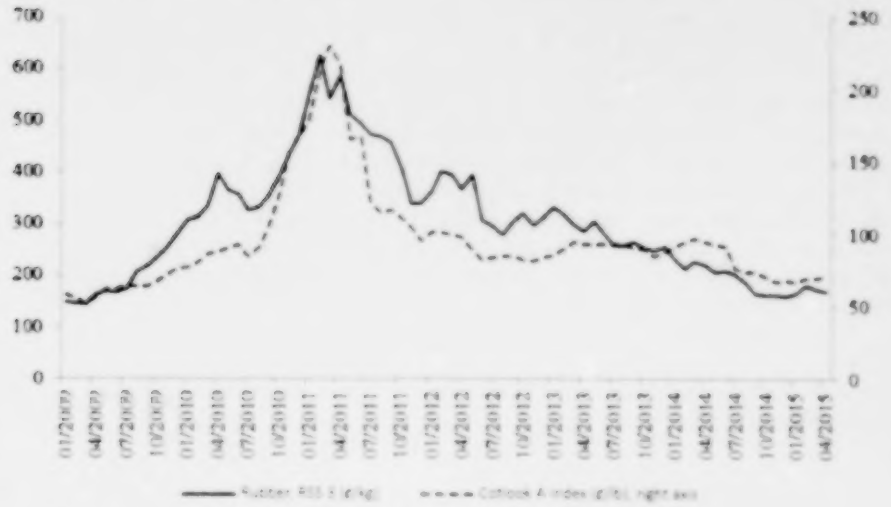


Source: UNCTAD secretariat, based on data from UNCTADstat.

17. In the markets for agricultural raw materials, price trends depend primarily on the global economic situation and supply factors. Agricultural raw material prices have generally been declining from the peaks recorded in 2011. In April 2015, the prices of cotton (Cotlook Index A) and natural rubber (RSS 3) averaged 72 cents per pound and 170 cents per kilogram, respectively, well below the peaks of 230 cents in March 2011 and 626 cents, respectively, in February 2011 (see figure VIII). Lower prices in the markets are owing to a fragile recovery in the global economy and good production and ample stocks carried over from past seasons. If the situation persists, further drops in the prices of agricultural raw materials should be expected.

Figure VIII

Price trends of selected commodities in agricultural raw material markets, January 2009-April 2015



Source: UNCTAD secretariat, based on data from UNCTADstat.

18. In the coming months, prices of agricultural commodities are expected to continue easing; the major upside risk factor remains however the developing El Niño phenomenon, which may disrupt harvests worldwide. Declining prices with short-term fluctuations in agricultural and food commodity markets are eroding farmers' profit margins. That is particularly damaging to vulnerable small farmers in the developing and least developed countries, as they produce most of the agricultural commodities from their countries that are traded on international markets. Appropriate policies should be devised to allow farmers to increase productivity, so that they remain competitive in global, regional and national markets. In particular, they need increased access to low-cost inputs, including seeds and fertilizers, finance and land. They also require an enabling environment with an adequate infrastructure and a sound regulatory framework, which would help them to improve the profitability of their activities. Addressing the constraints on the farmers of developing countries should be considered a way of solving societal problems, particularly poverty and inequality, consonant with the post-2015 sustainable development agenda, of which the motto is "Leave no one behind".

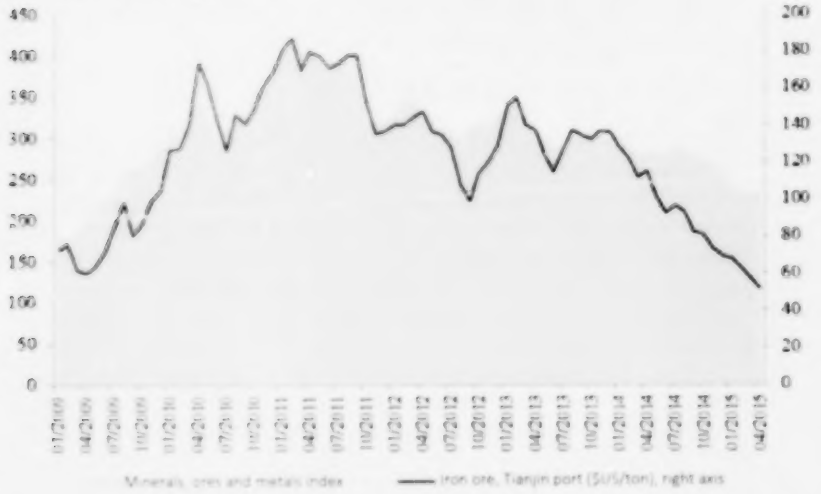
C. Minerals, ores and metals

19. The prices of minerals, ores and metals are sensitive to worldwide supply and to macroeconomic developments in industrialized and emerging economies, particularly in China, which between them account for the largest share of global demand. More specifically, developments in China significantly affect the markets for minerals, ores and metals, as the country accounts for almost half of global metal consumption.

20. Since their peak in 2011, the prices of minerals, ores and metals have generally trended downwards. On the demand side, the bearish markets were underpinned by the fragile world economic recovery, especially in developed economies such as the European Union, a strong United States dollar and low energy prices. Growth deceleration in China and emerging economies also had an important effect. On the supply side, a number of specific markets for minerals and metals are well supplied, with strong production resulting from large investments made during the recent commodity boom in a context of low-cost mining. Moreover, structural economic changes occurring in China, moving from investment-led growth to a consumption-driven economy, combined with the country's objective to achieve a less polluting economic model, have put downward pressure on some base metals such as iron ores and copper. The UNCTAD minerals, ores and metals price index lost 100 points from roughly 340 points in January 2013 to 240 points in April 2015.[4] However, that general trend disguises the performance of individual commodities (see figures IX and X).

Figure IX

Minerals, ores and metals price index (2000=100) and iron ore nominal price, January 2009-April 2015



Source: UNCTAD secretariat, based on data from UNCTADstat.

21. Prices in the iron ore markets fluctuated from late 2011 to late 2013, driven by uncertainty over the economic recovery of global markets. From early 2014, the price of iron ore slumped, mainly driven by a global glut and weak growth in steel production, especially in China. From December 2013 to April 2015, the price of imported iron ore at Tianjin port lost more than half of its value from $136 to $52 per dry ton. Looking forward, low-cost mining from big players in the markets, such as Rio Tinto Group (Australia) and Vale SA (Brazil), along with slowing

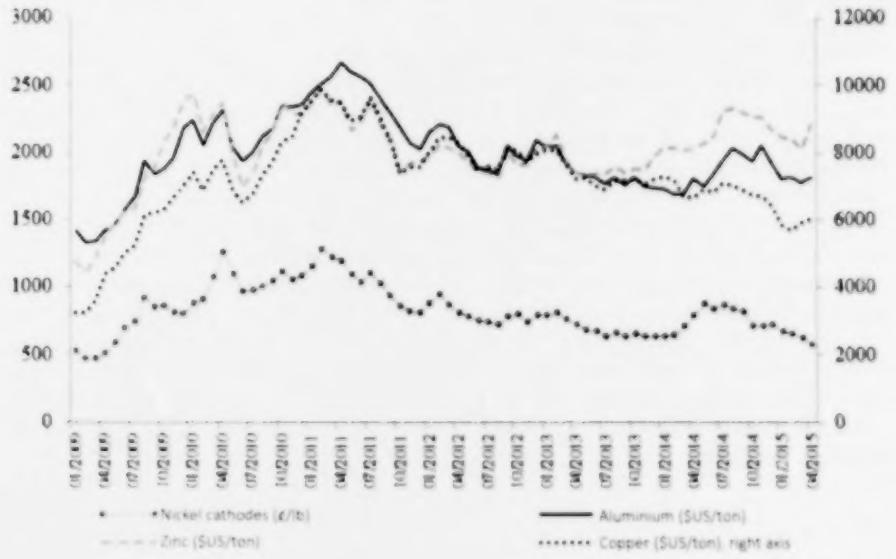
[4] The UNCTAD minerals, ores and metals price index covers copper, aluminium, iron ore, nickel, lead, zinc, tin, phosphate rock, manganese ore and tungsten ore. Gold is not included in the price index.

demand from China and the emerging economies, should keep downward pressure on iron ore prices, unless demand rebounds significantly in the coming years.

22. In copper markets, prices have fluctuated around a generally downward trend since 2011. From a record of $9,867 per ton in February 2011, London Metal Exchange copper prices dropped to an average of $5,701 in February 2015, the lowest level since August 2009. Good production, helped by new supplies coming on stream and coupled with weak demand, notably from the construction and infrastructure sectors in China, contributed to the falling prices. Moreover, demand for substitutes, especially for relatively lower priced aluminium, weighed on the demand for copper, pushing prices further down. Copper prices rebounded in March and April 2015, but new mining projects should help to prevent excessive price surges over the coming years.

23. Prices of aluminium have suffered from oversupply, especially in early 2014. In February 2014, the London Metal Exchange aluminium price averaged $1,694 per ton, the lowest level since June 2009. Thereafter, prices rebounded to average $2,054 in November 2014, owing to a number of factors, including capacity cuts by major suppliers; an export ban on bauxite by Indonesia, a major producer; and recovery in demand, especially in the United States automobile industry. Thereafter, aluminium prices retreated, driven by ample supplies and lower growth in demand. In April 2015, the London Metal Exchange aluminium prices averaged $1,817 per ton.

Figure X
Nominal prices for selected minerals, ores and metals, January 2009-April 2015



Source: UNCTAD secretariat, based on data from UNCTADstat.

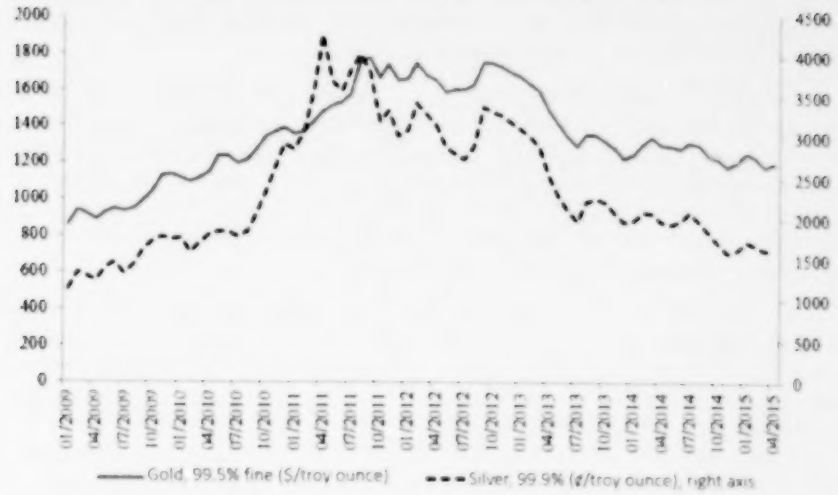
24. The market for nickel, an ingredient used to make steel, was characterized by oversupply and sliding prices in 2012 and 2013. However, the market dynamics later changed, following the enforcement of an export ban of unprocessed ores in January 2014 by Indonesia, the world's leading nickel producer. Concerns over shortages in supply, coupled with speculative buying by financial investors, led to a surge in nickel prices. From January to May 2014, the London Metal Exchange nickel price jumped by 38 per cent from $14,076 to $19,434 per ton, the highest level since March 2012. However, prices trended downwards in the following months averaging $12,780 per ton in April 2015 as China, a big consumer, was able to replace imports from Indonesia partly with imports from the Philippines. The outlook in nickel prices is uncertain and will depend on market fundamentals, especially the capacity of exporting countries such as the Philippines to supply international markets.

25. Zinc prices trended up from mid-2013 to mid-2014, driven mainly by tightened supply and decreasing stocks after the closure of some of the world's largest zinc mines in Canada. In August 2013, the London Metal Exchange zinc price rose to $2,329 per ton, 27 per cent up from its value of $1,836 per ton in July 2013. Thereafter, zinc prices dropped to an average of $2,029 in March 2015, owing mainly to weak demand from galvanized steel producers who account for a large share of global zinc consumption. The outlook for zinc will depend primarily on the extent to which declining production from planned closures of large mines, such as the Century mine in Australia, by the end of 2015 will be offset by production from new mid-size mines and the expansion of existing facilities.

26. Prices of precious metals have decreased over the past two years and are now at lower levels than in 2011 and 2012 (see figure XI). For example, gold prices dropped from $1,747 per troy ounce in October 2012 to $1,287 in July 2013, the lowest level since October 2010. Key driving factors of that bearish trend included sizeable outflows from exchange-traded funds[5] on improved economic prospects in the United States and expectations about the tapering of the quantitative easing programme of the United States Federal Reserve. Thereafter, gold prices have been fluctuating, with a slight downward trend. From July 2013 to April 2015, the price varied between $1,176 and $1,349 per troy ounce. Those swings were led by a number of factors, including global geopolitical risks such as the Syrian crisis; speculation over when the United States would raise interest rates; the fluctuating but generally increasing value of the United States dollar; and imbalances in gold supply and demand. Looking forward, the risks are mainly on the downside in the precious metals markets. Gold and silver prices are likely to trend down in the coming months as the United States dollar is likely to remain strong and interest rates in the United States are likely to be raised. However short-term fluctuations will be observed, owing to geopolitical factors and uncertainty over the global economic recovery.

[5] In July 2013, exchange-traded funds were 33 per cent lower than at their peak level in April 2013.

Figure XI
Nominal prices of gold and silver, January 2009-April 2015



Source: UNCTAD secretariat, based on data from UNCTADstat.

27. Falling prices in the markets for minerals, ores and metals adversely affect commodity-dependent developing countries. They experience worsening fiscal deficits, a decline in foreign exchange revenues and a higher cost of debt in international financial markets, owing to increased sovereign risks. In the coming months, prices for minerals, ores and metals will depend on factors such as market fundamentals, ore grades and energy costs. Most particularly, economic prospects in major metal-consuming countries, especially China, will weigh on demand. The country's economic restructuring may support the prices of metals which are widely used in consumer goods, such as aluminium, zinc, tin and lead, and exert downward pressure on the prices of copper and iron ore.

D. Energy

28. Energy markets have been under pressure since 2013, as a result of growing imbalances between supply and demand and monetary factors. Against the backdrop of increasing production of unconventional oil and lacklustre global demand, energy prices have fallen dramatically, with a drop in the International Monetary Fund (IMF) energy commodity index of 47 per cent between the first quarter of 2013 and the first quarter of 2015.

Crude oil

29. Oil production grew remarkably in 2013 and 2014, increasing by 5.1 per cent. Sixty-three per cent of that increase resulted from the development of unconventional oil production in North America. As new technologies which reduced exploitation costs became available, the number of crude oil rotary rigs in operation in the United States increased by 21 per cent between January 2013 and October 2014, according to figures from the United States Energy Information

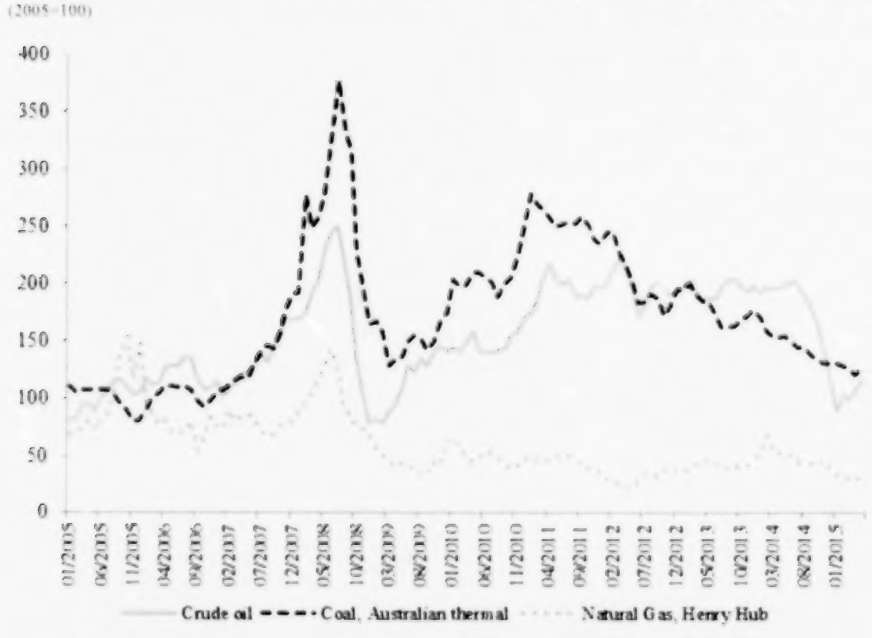
Administration, before dropping by nearly one half from November 2014 to May 2015, owing to collapsing oil prices. In the meantime, demand for oil products increased moderately, growing by 2.8 per cent between the first quarter of 2013 and the first quarter of 2015. Those developments resulted in excess supply, estimated at 1.1 million barrels per day in 2014, leading to a rise in stocks.

30. Oil markets remained fairly stable until the summer of 2014. The price of Brent crude oil ranged between $100 and $115 per barrel for nearly two years in the period prior to mid-2014. It appears that investors did not fully anticipate the radical changes occurring in North American oil production. The effects of the "shale gas revolution" were then offset by a relative decline in production by members of the Organization of the Petroleum Exporting Countries (OPEC) and absorbed by robust demand from emerging economies in Asia.

31. From August 2014 to February 2015, oil prices experienced a steep adjustment, with a drop of 53 per cent in the IMF crude oil index (see figure XII). Among the key factors accounting for the adjustment were the growing imbalances in oil markets. Between the first quarter of 2014 and the first quarter of 2015, global oil production grew by 2.9 million barrels per day, of which 1.6 million barrels per day were produced in North America. On the other hand, oil demand experienced a relatively limited increase of 1.4 million barrels per day. The substantial increase in oil oversupply was also fuelled by the good performance of producers which are not members of either the Organization of Economic Cooperation and Development (OECD) or OPEC and the status quo on OPEC quotas.

Figure XII

Crude oil (petroleum), coal and natural gas price indices, January 2005-May 2015



Source: UNCTAD secretariat based on data from IMF international financial statistics.

32. That downward adjustment led to a drastic cut in investments in oil production, particularly in unconventional oil production. Thus, the number of crude oil rotary rigs in operation dropped to 857 in March 2015, its lowest level in four years. Despite continuous imbalances and rising stocks, the price recovered slightly, owing to market anticipation of a rebalancing of supply and demand based on the cut in investment. The IMF crude oil index rose by 31 per cent between February and May 2015.

33. The economic incidence of lower oil prices remains to be fully evaluated. Some estimates suggest that the global economy should benefit from additional economic growth ranging from 0.3 to 0.7 percentage points in 2015;[6] China might benefit even more. By contrast, developing countries dependent on oil exports are already facing a severe deterioration in their current accounts and refinancing conditions in the capital markets. In Nigeria, for example, the cost of refinancing public debt has dramatically increased, to the extent that debt service costs are expected to represent 22 per cent of the federal budget of Nigeria in 2015, versus 15 per cent in 2014.[7]

Natural gas

34. Due to physical constraints and the cost of liquefying gas, natural gas markets are mostly regionalized, with dissimilar pricing mechanisms. That results in great variations in prices between regions. In Asia, prices are fixed mostly by long-term contracts linked to oil prices and were, until the summer of 2014, among the highest globally. In the United States, market fundamentals determine prices. That is also the case in Europe, as European buyers tend to prefer supply- and demand-based gas pricing to the long-term take-or-pay contracts that guarantee minimum purchases and stable prices for gas.

35. Globally, natural gas prices are following a downward trend owing to several factors. The development of unconventional gas production has pushed down prices in several countries, notably in the United States, Canada and Australia. The natural gas spot price at the Henry Hub terminal in Louisiana, United States, had reached a value of $2.58 per million metric British thermal units in April 2015, its lowest value in more than two years and less than 30 per cent of its value in 2005.[8]

36. Global gas demand experienced a marked slowdown in 2013 and 2014, with an average annual growth of 0.8 per cent compared with 4.1 per cent on average from 2010 to 2012.[9] That was due in particular to the relatively high gas prices in Asia until the oil market reversal in the summer of 2014, against a backdrop of cheap coal and falling costs for renewables. Similarly, in OECD countries, demand for gas in the power sector has been affected by sluggish growth in demand for electricity and the continuous deployment of renewables. In other regions, demand

[6] See Rabah Arezki and Olivier Blanchard, "Seven questions about the recent oil price slump", IMF (2014).

[7] The cost of debt service is to rise by 32 per cent between 2014 and 2015, from $712 million to $943 million according to PriceWaterhouseCoopers in "Nigeria's 2015 budget: fiscal and macroeconomic analyses", available from pwcnigeria.typepad.com/files/pwc_nigerias-2015-budget-bulletin.pdf.

[8] See IMF, international financial statistics. According to the IMF, the natural gas spot price at the Henry Hub terminal in Louisiana averaged $8.86 in 2005.

[9] British Petroleum, "Statistical review of world energy" (2015).

is constrained by the availability of supply. However, the continuous development of the trade in liquefied natural gas is a promising avenue for the integration of gas markets.

37. Lower gas and oil prices should result in a slower expansion of gas production in the coming years, with potentially important effects on upstream investments. That could be particularly harmful for the liquefied natural gas industry, which does not manage to cover the capital costs of new plants at current prices. Nevertheless, gas demand could rebound as a result of lower prices, more specifically in Asia where the competitiveness of gas compared with other fuels has soared with the recent adjustment in oil markets. In the same vein, a number of countries are prioritizing investments in natural gas for its environmental benefits, which should, in the context of efforts to mitigate climate change, reinforce demand for gas in the long term. In China for instance, the intensification of environmental policy should benefit the natural gas industry and could compensate for the effects of slower economic growth and the sharp slowdown in primary energy consumption.

Coal

38. Coal is the second source of primary energy, representing roughly 30 per cent of total primary energy produced. It is mostly used for power generation, producing more than 40 per cent of worldwide electricity. Coal is abundant, cheap, easy to trade, but harmful for climate change mitigation. New technologies allow those environmental effects to be reduced, as well as carbon capture and storage. Nonetheless, their deployment remains very slow, including in plants under construction, which raises serious concerns about the sustainability of policies aimed at closing the "energy gap" in emerging economies.[10]

39. Coal prices have plummeted since 2012. The reference price, Australian thermal coal, declined by 13 per cent in 2013 and 17 per cent in 2014, hitting an eight-year low of $62 per ton in April 2015. While demand in Asian markets remains robust, with 4.4 per cent growth in 2013 and 2014, consumption in OECD economies is declining rapidly, notably in Europe (down 10 per cent), where environmental and economic concerns are depressing local demand. Consumption in North America has slightly rebounded over this period (up 3.5 per cent) but remains below its 2010 value, owing to the substitution of shale gas for coal. Demand in Europe and North America is expected to continue decreasing in the coming years, as energy efficiency and renewable energy production make further progress.

40. Coal production stagnated in 2013 and 2014 but that followed a surge of 8.5 per cent in 2010-2012. As a result, coal markets remain imbalanced, with supply exceeding demand since 2011. However, low prices are contributing to the rebalancing of the market, as the excess supply decreased by 50 per cent in 2013-2014 compared with 2012. Coal production in China decreased in 2013-2014 by 1.5 per cent after the boom in 2010-2012, when it increased by 12.5 per cent. That led to a slight drop in its share in global production from 47.8 per cent in 2012 to 46.8 per cent in 2014, reflecting the willingness of the Chinese authorities to diversify energy production and decarbonize the Chinese economy. By contrast, Australia, India and Indonesia are expanding their productive capacities, with their cumulative market share growing by 12 per cent between 2012 and 2014.

[10] International Energy Agency, coal factsheet (2015).

III. Strengthening coordination among international organizations and other relevant bodies dealing with commodities issues

41. The present discussion builds on the previous reports on world commodity trends and prospects, in which the state of coordination of policy responses addressing excessive commodity price volatility at domestic and international levels has been reviewed. The objective is to identify the main impediments to a well-coordinated response to commodities issues and the key actions needed to further strengthen multilateral coordination. This section of the report covers two groups of institutions. First are the 13 intergovernmental commodity bodies[11] and the Food and Agricultural Organization of the United Nations (FAO) intergovernmental groups.[12] Their role is to provide a forum for discussion, collecting and publishing statistics, providing market information and contributing to the sustainable production of, and trade in, commodities. Second are international development organizations with dedicated commodity programmes in their structures. They include institutions such as UNCTAD, the World Bank and FAO.

A. Early efforts to coordinate international commodity policies

42. The Integrated Programme for Commodities established by UNCTAD in 1976 was the first serious attempt to find an international response to the problems facing developing countries associated with commodity dependence.[13] That was the culmination of efforts undertaken over almost three decades since the agreement on the Havana Charter in 1948. The objective was to reach commodity agreements and establish bodies that would be capable of financing buffer stocks in order to reduce price fluctuations, while ensuring that prices to producers were remunerative. Commodity agreements were expected to include clauses that would allow those bodies to use their own resources, as well as resources borrowed from a new common financing facility to be established for the purpose. In that regard, the Common Fund for Commodities was set up in 1981 but only entered into force in 1989, with its first window designed to finance buffer stocks suspended.

43. The ambition of the Integrated Programme for Commodities was undermined by a lack of financial resources. Originally, it was estimated that in order for the Common Fund for Commodities to be effective in stabilizing the prices of major commodities, it would need about $18 billion. In further negotiations, that amount was reduced to $6 billion and by the time the Fund entered into operation, it only had $400 million. Moreover, there was little political commitment at the

[11] The 13 bodies are the International Cotton Advisory Committee; International Rubber Study Group; International Grains Council; International Lead and Zinc Study Group; International Olive Council; International Coffee Organization; International Cocoa Organization; International Tropical Timber Organization; International Nickel Study Group; International Sugar Organization; International Copper Study Group; International Network for Bamboo and Rattan; and International Jute Study Group.

[12] There are groups for bananas, tropical fruits, citrus fruit, grains, rice, oilseeds, oils and fats, hard fibres, jute, kenaf and allied fibres, hides and skins, meat and dairy products and tea.

[13] The discussion in section III A and in paragraphs 42 and 43 is based on UNCTAD, "Economic development in Africa: trade performance and commodity dependence" (Geneva and New York, 2003).

international level to intervene in commodities markets during a period when liberalization and the free market were the order of the day. As a result, only one new international commodity agreement, the International Rubber Agreement, was negotiated within the context of the Programme. While most existing international agreements were dormant for lack of resources, national schemes aimed at stabilizing prices through national stockpiles and buffer stock facilities were largely dismantled under structural adjustment programmes in the 1980s and early 1990s. That situation weakened global cooperation in the field of commodities, which negatively affected commodity-dependent developing countries.

B. Commodity boom, food crisis and multilateral coordination

44. The commodity boom of the 2000s and the spike in commodity prices in 2007-2008 was interpreted as a wake-up call to refocus the attention of the international community on the need to reinforce multilateral coordination over commodity issues. In particular, it reinvigorated the debate around coordinated action to improve food security and mitigate excessive commodity price volatility. The cost of insufficient coordination among international organizations and Governments was then demonstrated when high food prices sparked riots in many developing countries and led to panic buying and the imposition of export restrictions on food commodities. Those restrictions, in turn, aggravated speculation in the food markets, highlighting again the need for more international coordination.[14]

45. Under the umbrella of the United Nations, several initiatives were launched to increase coherence and coordination among international organizations involved in food security issues. The High-level Task Force on the Global Food Security Crisis was established by the Secretary-General in 2008, bringing together 23 institutions, including United Nations specialized agencies, funds and programmes, the World Bank, IMF, OECD and the World Trade Organization (WTO), to respond to the immediate needs of countries under food stress and offer a broader vision of the policies needed to address long-term food security issues. The High-level Task Force published an updated comprehensive framework for action in September 2010, in which it proposed a twin-track approach to encourage concerted responses to the food price crisis, with actions that would both respond to the immediate needs of vulnerable populations and contribute to longer-term resilience.[15] Furthermore, the Zero Hunger Challenge was set up in 2012 as a collaborative effort between several United Nations and other agencies which share the objective of eradicating hunger in the world.

46. Following its action plan on food price volatility and agriculture, issued by ministers of agriculture in 2011 and based on recommendations by several international organizations,[16] the Group of 20 (G20) established several cross-organizational projects aimed at strengthening market information and transparency, and increasing agricultural productivity. In that context, the G20 created the

[14] The spike in the price of rice in 2007-2008 was largely due to export bans or restrictions by major rice exporters and subsequent panic purchases by major importers.

[15] Available from http://www.un-foodsecurity.org/node/842.

[16] Including FAO, the International Fund for Agricultural Development (IFAD), IMF, OECD, UNCTAD, the World Food Programme (WFP), the World Bank, WTO and the High-level Task Force on the Global Food Security Crisis.

Agricultural Market Information System and its Rapid Response Forum, a collaborative effort by all relevant international institutions to improve the availability of agricultural and food data and encourage policy coordination to reduce volatility in the grain markets. The G20 also created the Global Agriculture and Food Security Programme, a multilateral mechanism administered by the World Bank and supervised by several international organizations.[17] With funding of $1.4bn, its aim is to invest in long-term projects that build resilience and mitigate the effects of food price volatility, while helping to prevent future crises.[18]

47. In 2014, the G20 Food Security and Nutrition Framework was endorsed, building on previous initiatives of international organizations and the broader G20 agenda, and supporting the post-2015 development agenda. The framework responds to the review of opportunities for economic growth and job creation in relation to food security and nutrition co-led by OECD and FAO. It sets out three priority objectives: to increase responsible investment in food systems; increase incomes and quality employment in food systems; and increase productivity sustainably to expand food supply, aimed at incorporating work on food and nutrition security into the core mandate and work streams of the G20, with the objective of taking a long-term, integrated and sustainable "food systems" approach. It also includes a process for implementation, which highlights the need to foster more effective cooperation between international organizations.

48. Those efforts to foster multilateral cooperation on food commodities have delivered mixed results. To some extent, they have contributed to the overall improvement in the functioning of commodity markets since the food crisis of 2008-2009, with a reduction in volatility and more transparent activities. For example, the Agricultural Market Information System has allowed significant progress to be made in data monitoring for four major food commodities: wheat, maize, rice and soybeans. Praised by the G20 as a particularly successful initiative although it only focuses on major producers and consumers, the System provides a monthly overview of the global situation for those four major food commodities in terms of production, supply, utilization, trade, ending stocks, prices and forecasts. Similarly, market information has improved in the energy sector, thanks to coordinated multilateral actions, the expansion of the Joint Oil Data Initiative and its extension to natural gas, with the launch of the JODI-Gas World Database in May 2014.[19]

49. On the ground, food insecurity is diminishing, despite relatively high food prices, with a decline in the prevalence of undernourishment expected to reach nearly 13 per cent between 2009-2011 and 2014-2016. Nevertheless, that general picture hides some critical situations. In Africa, the prevalence of food insecurity has declined rather slowly and has been outpaced by population growth. Hence the absolute numbers of undernourished people rose from 182 million in 1990-1992 to an estimated 232 million in 2014-2016.[20] Moreover, the international response to the

[17] The steering committee is comprised of the World Bank, African Development Bank, Inter-American Development Bank, IFAD, FAO, WFP, International Finance Corporation and the Special Representative of the Secretary-General on Food Security and Nutrition.

[18] As of 30/11/2014, the Programme had received $1.37 billion from 10 donors and had a portfolio of $1 billion of funded projects.

[19] The Joint Oil Data Initiative was initiated in 2001 under the auspices of the United Nations, OPEC, the International Energy Agency and three regional organizations and reinforced with the support of the G20 Energy Sustainability Working Group.

[20] See FAO, *The State of Food Insecurity in the World* (Rome, 2015).

food crisis in the Sahel remains insufficient and the Sahel Crisis Strategic Response Plan, coordinated by the United Nations, is largely underfunded.[21] As a result the number of people experiencing food insecurity in the Sahel almost doubled from 11.3 million in 2013 to 20.2 million in 2014. Furthermore, the various initiatives launched to increase agricultural productivity in fragile economies have produced limited results and those economies remain particularly vulnerable to price fluctuations in agricultural commodities.

C. The way forward: an improved framework for international commodity policies

50. As well as the persisting issue of food and nutrition security, other issues relating to commodity dependence and commodity market instability remain critical. Indeed, the situation of commodity-dependent developing countries is still worrying, as they face serious challenges in diversifying their economies and optimizing local value retention from their commodity sectors. Among multilateral initiatives launched to address those issues is the 2013 OECD-led policy dialogue on natural resource-based development, for which it is too early to evaluate the results. The degree of commodity dependence of the developing countries affected has remained high. In sub-Saharan Africa, commodity exports represented 83 per cent of total merchandise exports in 2013, virtually the same level as in 2011.

51. That proves the need to go beyond food commodities and integrate other development challenges related to commodity value chains. More is needed to rationalize the work of international organizations and other relevant bodies dealing with commodities issues, based on a common understanding of priorities. That would, among other things, require the international community to have a common vision as to how to tackle excessive price volatility and commodity revenue management, as well as the negative effects of commodity dependence on development. Lessons could be drawn from the failure of the Integrated Programme for Commodities when designing an integrated approach which captures the multidimensional nature of the issues and the variety of stakeholders that need to be involved. In that regard, international organizations could play a critical role based on a clear mandate from Governments.

52. The post-2015 development agenda could be the right framework for more effective collective action. In the proposals set out by the Open Working Group of the General Assembly on Sustainable Development Goals (see A/68/970) and endorsed by the Secretary-General in his synthesis report of 4 December 2014 (A/69/700), three goals could form a basis for better coordination among international organizations, focusing on the critical dimensions of structural economic transformation. They include (a) the elimination of hunger by 2030; (b) the improvement of the policy environment for adding value to commodities in the context of inclusive and sustainable industrialization; and (c) the improvement of the functioning of food commodity and derivatives markets. That approach would provide a common vision for sustainable commodity management.

[21] As of September 2014, the programme, which covers nine countries, was only 37 per cent funded.

Eliminating hunger by 2030

53. Given that there are approximately 795 million undernourished people globally, which will represent a 12.9 per cent share of the population in developing regions at the end of 2015, eliminating hunger in the next 15 years will be a major challenge. Several vulnerable regions will rely on international cooperation to meet that objective. That will be the case, for example, with southern Asia, Oceania, the Caribbean and southern and eastern Africa, where the Millennium Development Goals target of halving the proportion of the chronically undernourished was not reached over the period from 2000 to 2015.

54. Three years after the Secretary-General launched the Zero Hunger Challenge, multilateral coordination has improved, building a global movement to end hunger. More than 130 countries have aligned their policies with the Challenge and relevant national policies and programmes are being initiated in more than 40 countries. Furthermore, the 23 United Nations agencies, funds and programmes involved in the High-level Task Force on the Global Food Security Crisis have integrated the vision of the Zero Hunger Challenge into their collective workplans.

55. Nevertheless, more efforts are needed to reinforce coordination and avoid duplication of activities, notably between the United Nations and the Bretton Woods institutions. Those efforts should also be supported by increased resources. Official development assistance (ODA) stagnated between 2011 and 2014 at around $135bn.[22] The share of ODA going to agriculture was only $10.2bn in 2013, down by more than 11 per cent from its 2012 level.

Improving the policy environment for adding value to commodities

56. The food crisis revealed that coordinated action was possible in the context or aftermath of a crisis, provided it was not aimed at directly countering market price fluctuations. International organizations and Governments generally lack the resources and policy space to stabilize commodity markets and reduce excessive price volatility.[23] In contrast, they do have the latitude to improve the policy environment for increasing local value retention from industry, for example from the extractive industries. In that regard, improving multilateral coordination is essential for increasing employment and for technology spillovers from the commodities sector. Partnerships with the private sector and multilateral action can stimulate local participation in commodities value chains and promote upstream and downstream industrialization.

57. Furthermore, reducing the instability in revenues accruing to commodity exporters is another area where the international community could help commodity-dependent developing countries to improve the environment for adding value to commodities. At the multilateral level, coordinated measures could include the adoption of instruments, such as income-support programmes and stabilization funds. At the national and local levels, insurance mechanisms could be developed.

[22] See OECDstat (2015). This flow corresponds to the aid provided by members of the OECD Development Assistance Committee.

[23] Export restrictions, one of the instruments most commonly used by commodity exporters, have an ambivalent record in terms of stabilizing markets. While they helped commodity-dependent developing countries to support producer prices in some cases during the 1980s, they also contributed to episodes of global supply shortages and strong variations in prices, stirring up trade disputes between Governments.

including crop insurance covering yield and price risks. The development of hedging instruments, such as futures and options, or specialized tools specifically designed for small and medium producers in developing countries could also be considered although that would require the development of the necessary expertise and institutions in those countries.

58. International organizations could be central in promoting such tools, given their experience in this area. For example, the IMF is involved in the stabilization of incomes of developing economies exposed to significant revenue fluctuations, notably through its facilities and financing framework for low-income countries. The World Bank has set up the Global Index Insurance Facility, a multi-donor trust fund supporting the development and growth of local markets for weather and disaster index insurance in developing countries, currently covering over 750,000 small farmers. United Nations agencies, funds and programmes could play an important role in the area of economic diversification and industrialization, supporting national and regional strategies, as well as local projects. They could also provide further technical assistance to the intergovernmental commodities bodies, facilitating coordination among exporters. Such a multilateral intervention would need to be integrated into a coordinated framework for international commodities policies.

Improving the functioning of commodities markets

59. The recent food crisis highlighted the importance of improving the functioning of markets but, despite some progress, several commodities markets remain opaque and poorly regulated. In line with the Sao Paulo Consensus adopted at the UNCTAD quadrennial conference held in June 2004, it appears critical to ensure that comprehensive market information is available for all agricultural, minerals, metals and energy products.[24]

60. Furthermore, improved international coordination is also needed to strengthen transparency in global commodity value chains. Several national jurisdictions have introduced legislation requiring the disclosure of payments to Governments by extractive companies, notably in the United States (section 1504 of the Dodd-Frank Act), in the European Union (accounting and transparency directives) and in Canada (Extractive Sector Transparency Measures Act). Pressure is now mounting to broaden the scope of that legislation to cover the whole of the extractive industries global value chain.

61. Strengthening coordination between international organizations and, where relevant, the private sector, would be also critical to improving regulations and transparency in the commodities business, notably in commodities trading. Establishing and enforcing global transparency standards appears to be a necessary step in tackling business malpractices including commodity trade mispricing, bribery and corruption and market price distortions that reduce the share of revenues from commodities for commodity-dependent developing countries and hamper their development.

[24] That could include the extension of the Agricultural Market Information System to food commodities that are not yet covered by it.